FBIS DAILY REPORT

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NUCLEAR PRIORITIES OUTLINED IN REPORT TO CONGRESS

PY012045 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1335 GMT 1 May 85

[Text] Buenos Aires, 1 May (NA) -- The budget for the development of nuclear activities this year will be subject to the same restrictions as in 1984 "because of the persistently difficult economic-financial situation of the country, with the consequent assigning of priorities." This was stated in the report annexed to President Raul Alfonsin' inauguration message to the regular session of Congress.

The priorities of the nuclear plan were summed up in the following points:

"1. To preserve the human resources of the National Atomic Energy Commission (CNEA), since this is the resource most difficult to replace.

"2. To disseminate throughout the country the various uses of radioisotopes and radiation for the benefit of the economy and the health of the population.

"3. To maintain the tempo of the projects already under way, whenever possible within the limitations of the credits which can be assigned to them."

President Alfonsin stressed that despite the budget restrictions for the nuclear plan, the CNEA could meet the following objectives in 1984:

1. The preservation of its highly trained human resources;

2. The continuation of its research and development programs;

3. The intensification of the use of ionization radiation in the interior of the country for the benefit of regional economies, through the signing of agreements with San Juan and Mendoza Provinces for the preserving of local foodstuff products by means of irradiation;

4. The increase in the use of radioisotopes in their various fields of use in medicine, agronomy, veterinary treatments, industry, and basic research;

5. The intensification of the application of nuclear medicine in the fields of diagnosis and therapy through a program which not only permits the constant application of the knowledge in the field, but also makes it possible to provide the necessary equipment for the benefit of the health of the population;

6. The extraction of the first bars of Cobalt 60 from the reactor of the Embalse nuclear centre which has made Argentina the fourth largest world producer of the product;

7. The continuation of the projects in the energy sector which, because of budget restrictions, have had to be delayed;

8. The continuation of the building project of the Peruvian atomic center and the fulfillment of all international and bilateral commitments regarding delivery of goods, training of personnel -- particularly in Latin America -- and making experts available.

INTERIOR UNDER SECRETARY ON MID BOMBING

PY252220 Buenos Aires TELAM in Spanish 1326 GMT 25 Apr 85

[Excerpt] Buenos Aires, 25 Apr (TELAM) -- Interior Under Secretary Raul Galvan today scored the attack on Integration and Development Movement (MID) premises, but rejected the charges which a high-ranking leader of this party has made to the effect that the government was to blame for the action.

Galvan, who spoke at Government House today, confirmed that most political parties will sign a joint declaration reaffirming democracy in Argentina at 1700 today in the White Hall of Government House.

As for the bombing of the MID premises in the Federal Capital in the predawn hours this morning, Galvan said that the action was reprehensible and lamentable, adding that some people seem bent on resolving ideological conflicts through violence. He indicated that he was aware of recent remarks of a high-ranking MID leader who blamed government sectors for this attack and added that we reject this accusation calmly and firmly.

Galvan went on to say that the Argentine people are well aware of the civilized attitude of the Radical Civic Union government. He added: "We lament the action. We can disagree and accept criticisms regardless of its source, but we will not tolerate violence, which is undoubtedly being wreaked by some sector that seeks to deepen the chasms through these cowardly attitudes which merely sow confusion in the highly sensitive political and social fields."

SERIES OF POLITICAL ATTACKS HIT PROVINCES

PY291430 Paris AFP in Spanish 1844 GMT 28 Apr 85

[Text] Buenos Aires, 28 Apr (AFP) -- A series of still unclaimed political attacks have taken place in the past few hours in several Argentine provinces, but fortunately none of them has caused any injuries.

The committee headquarters of the Radical Civic Union, the ruling center party in La Plata, the capital of Buenos Aires Province, was fired on by unidentified persons in the predawn hours today. The attack, which La Plata Mayor Juan Alberti has attributed to small destabilizing groups, caused minor damage but no injuries.

Almost simultaneously, a medium-strength bomb exploded at the Centrist Party headquarters in San Juan which is located 1,280 km west of Buenos Aires. Although no one was injured, the explosion did cause considerable damage.

At the Mar del Plata resort, 400 km south of Buenos Aires, Nestor Lucero, former assistant secretary of the Fishing Industry Workers Union, charged that unidentified persons riddled the facade of his residence with machine gun bullets. He added that one of the bullets entered the house and damaged a refrigerator.

In Resistencia, capital of Chaco Province, located 1,079 km northeast of Buenos Aires, Mayor Livio Lataza has reported that unidentified persons in a car opened fire with automatic weapons against the City Hall. He said that no one was injured.

DEPUTY DENOUNCES ANTISUBVERSIVE MILITARY TRAINING

PY260235 Buenos Aires DYN in Spanish 2337 GMT 25 Apr 85

[Excerpt] Buenos Aires, 25 Apr (DYN) -- National Deputy Augusto Conte today stated that the military training of young conscripts includes warnings that "subversion in the country will again grow worse" this year and that, therefore, "they must be prepared to repress the people." Speaking in Congress, Conte also revealed the existence of "a museum of subversion" in the military facilities in Campo de Mayo where the relatives of the conscripts who are being trained there listen to "an apology of the crimes committed in the name of the so-called antisubversive struggle." Conte stated that the justification for the crimes is explained by "an officer" who "invites" the parents of the conscripts to visit the museum on subversion, whose existence he denounced. The statements by the Christian Democratic lawmaker are included in a draft resolution that was submitted today to the Chamber of Deputies in which Conte asks the executive branch to report "whether it has any knowledge of the fact that the military training of conscripts includes warnings on an imminent subversive action."

MOVIP, OTHER GROUPS CALL FOR FALKLANDS SOLUTION

PY020320 Buenos Aires TELAM in Spanish 2203 GMT 1 May 85

[Text] Buenos Aires, 1 May (TELAM) -- The contents of a joint statement signed by the Movement for Life and Peace (MOVIP) and the Bertrand Russell Peace Foundation (BRPF) of Great Britain have been simultaneously released in Buenos Aires and in London. The statement urges the people's organizations of the two countries to strengthen their ties, overcoming national barriers and secular prejudices, to achieve a peaceful and democratic solution to the long-standing conflict over the Malvinas Islands. In addition, the statement calls for the dismantling of the fortress built by the British military on the islands; a cease-fire by the two governments; a commitment to handle all territorial claims through diplomatic channels; and negotiations to seek an effective demilitarization of the South Atlantic.

The statement is signed by several British organizations and personalities, among them Labor MP Tam Dalvell, and by the Argentine organizations MOVIP, Mothers of Plaza de Mayo, Peace and Justice Service [Serpaj], Jewish Movement for Human Rights [MJDH], and the Latin American Association for Human Rights, Buenos Aires branch. The statement is also signed by, among others, socialist leader Alicia Moreau de Justo; Quilmes Bishop Msgr Jorge Novak; Gregorio Klimovski, dean of the Faculty of Mathematical Sciences of the University of Buenos Aires; Ricardo Molinas, head of the National Prosecutor's Office for Administrative Investigations; trade union leaders Raimundo Ongaro and Julio Guillan; and representatives from human rights organizations.

NEW JUSTICIALIST BLOC CREATED IN CHAMBER

PY260320 Buenos Aires Domestic Service in Spanish 2300 GMT 25 Apr 85

[Report from the National Congress]

[Text] The Justicialist bloc in the Chamber of Deputies has suffered another division. As we anticipated yesterday, a new Justicialist bloc was created today. The new bloc, which will be known as the Justicialist Unity bloc, is led by Diego Ibanez, president; Julio Cesar Araoz, first vice president; Torcuato Fino, second vice president; and Miliboj Ratkovic, secretary.

The new bloc is made up of a little over 30 deputies, most of them union leaders from the 62 Organizations, who yesterday failed to reach an agreement with the Rio Hondo bloc led by Jose Luis Manzano. The new bloc is also at odds with the other two Justicialist miniblocs in the Chamber of Deputies: the Peronist bloc, and the 17 October bloc.

LABOR ORGANIZATIONS TRY TO NARROW DIFFERENCES

PY261959 Buenos Aires BUENOS AIRES HERALD in English 26 Apr 85 p 11

[Text] (NA-DYN) -- Rival labour factions met for four hours yesterday, afterwards agreeing that the CGT [General Confederation of Labor], once new authorities are elected by delegates, "should be a true workers' parliament guaranteeing pluralism." Metal Workers Union (UOM) chief Lorenzo Miguel met with Committee of 25 leaders to try to work out their differences in "reorganizing" the 62 Organizations -- the political arm of the Peronist unions -- and the CGT. National Deputy Roberto Garcia, a 25 leader, said afterwards both sides agreed that "normalizing the 62 should not mean handing out posts...and that accords simply between unionists have no value." Miguel reportedly said he would take the 25's position to the 62 Organizations negotiating table, where five other labour factions -- the Negotiation and Labour Committee (CGyT), the independents, the non-aligned, the verticalists (representing Miguel), and the Committee of 20 -- are already seated.

On other labour fronts, CGT secretaries-general Jorge Triaca (CGyT) said he and Borda would probably meet today with Archbishop Raul Primatesta, vice-chairman of the Church Episcopal Conference, to discuss the CGT's "plan of action" consisting of nation-wide demonstrations and a May 23 general strike.

In Cordoba, union leaders studied the possibility of staging a province-wide general strike on May 10 to coincide with the mass demonstrations the national CGT has planned that day in Cordoba city.

BRIEFS

NEW SUPREME COURT PRESIDENT -- Buenos Aires, 24 Apr (TELAM) -- The Supreme Court today designated Dr Jose Severo Caballero as its new president. Caballero, the most senior court member, became the court's acting president when Dr Genaro Carrio resigned. Caballero was designated after Jorge Antonio Bacque, a new court member, was sworn in. Augusto Cesar Belluscio will now become the court's most senior justice. Caballero was designated during a special session that was also attended by Justices Dr Carlos S. Fayt, Enrique S. Petracchi, and Jorge A. Bacque, and by Attorney General Juan Octavio Gauna. [Text] [Buenos Aires TELAM in Spanish 1635 GMT 24 Apr 85 PY]

SILES ZUAZO CALLS FOR UNITY IN NATIONAL SPEECH

PY010145 La Paz Cadena Panamericana in Spanish 0000 GMT 1 May 85

["Excerpts" of speech by President Hernan Siles Zuazo on eve of Labor Day, from La Paz -- live or recorded]

[Text] The following are the noteworthy excerpts of President Hernan Siles Zuazo's Labor Day message:

The strong unity between the workers, peasants, and the progressive middle class is and will continue to be the most suitable formula to neutralize the ultraleftist and ultrarightist forces which on more than one occasion, in the course of the current democratic process, have coincided in their efforts to thwart this process of full and unrestricted liberties that have caused the Bolivian people to sacrifice so much. During the general strike held in March, the Bolivian working class showed an example of political and labor union maturity by rejecting the desperate attempt of adventurist groups who sought a solution through chaos. The ultraleftist sector was then defeated by the very labor union rank and file that did not allow themselves to be manipulated or led to the brink of the abyss. We are sure that the same wise stance will prevail over the attempts of those who wish to reissue now the previous provocations. On the day chosen by history to recall the sacrifice of international martyrs of the working class, in memory of the workers murdered in their struggle against the last dictatorships, I request the miners, rural, and peasant workers, to diligently follow the path of the national liberation which history and our people have entrusted us to follow with faith and optimism for the fatherland's future.

PAZ ZAMORA SEEKS SUPPORT OF EUROPEAN STATES

PY011447 Madrid EFE in Spanish 0030 GMT 1 May 85

[Text] Cologne (FRG), 30 Apr (EFE) -- Presidential candidate Jaime Paz Zamora has stated here that a victory by the antidemocratic forces of the right in the forthcoming Bolivian elections will imply not only the failure of the left but of democracy itself. Paz Zamora, a former vice president of Bolivia and the presidential candidate for the Movement of the Revolutionary Left [MIR] in the 14 July elections, is making a tour through several European countries in search of support for parties linked to his own. He told the radio program "The Voice of Germany" that he will study the form in which Western Europe will be able to cooperate with the MIR and a government headed by himself, should his party win the elections. Paz Zamora met in Bonn with Willy Brandt, president of the Socialist International, who, according to Paz Zamora, is willing to foster in Western Europe a policy favorable to giving special treatment to the refinancing of the Bolivian foreign debt. The former vice president added that this means that Bolivia will be able to refinance its obligations with no loss of its national sovereignty, without causing damage to its economy, and recovering its prestige as a reliable country. Bolivia, which in March 1984 decided to suspend payment of its foreign debt, owes some $3 billion to international banks. In addition to the FRG, Paz Zamora in the next few days will visit Sweden, Belgium, Austria, and Spain.

GOVERNMENT TO LESSEN IMPACT OF U.S. MONETARY POLICY

PY012135 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 1 May 85

[Text] According to Foreign Minister Olavo Setubal, Brazil will continue to negotiate its foreign debt with the creditor banks and, simultaneously, it will take political action to forestall future consequences of U.S. monetary policy which could affect the Brazilian foreign debt.

GOVERNMENT STUDYING RENEWAL OF RELATIONS WITH CUBA

PY012220 Madrid EFE in Spanish 2124 GMT 1 May 85

[Text] Rio de Janeiro, 1 May (EFE) -- Brazilian Foreign Minister Olavo Setubal today said that Brazil is studying the possibility of renewing diplomatic relations with Cuba.

The foreign minister also stated that the normalization of Cuban-Brazilian relations must be related to national security and he recalled that Brazil broke off relations with Cuba in 1964 because Fidel Castro's government at that time supported guerrilla movements in Latin America, something that is not currently occuring, he said.

Setubal denied that Brazil planned to become a member of the Contadora Group in order to seek a peaceful solution to the Central American conflict and he also denied that he had received a Nicaraguan request in this respect.

The Brazilian foreign minister stated that Nicaraguan President Daniel Ortega had asked Brazil to intervene and give support to the negotiations with the United States to seek a peaceful solution to the conflict, without this meaning that Brazil must become a member of the Contadora Group.

Setubal confirmed that he will travel to Buenos Aires on 20 May to meet with Argentine authorities in order to evaluate the state of mutual diplomatic and trade relations.

PRC DELEGATION DISCUSSES SPACE COOPERATION

WA011430 [Editorial Report] In the 18 April Brasilia CORREIO BRAZILIENSE's diplomatic column by Manoel Mendes, it was reported that a delegation comprised of 17 technicians of the Ministry of Astronautics Industry [as published] of the People's Republic of China is in Brazil paying a special visit to the Aerospace Technical Center (CTA) in Sao Jose dos Campos that will extend until 9 May. The objective of the visit is to initiate the implementation of cooperation between the two countries in the space technology field, as set forth in the terms of the Complementary Agreement of the Scientific and Technological Cooperation Accord signed on 29 May 1984, during the visit of former President Figueiredo to China.

A Chinese delegation visited the installations of the Brazilian Aerospace Center and the Space Research Institute in August 1984 for the purpose of evaluating the specific areas for cooperation. A delegation of Brazilian technicians, headed by the president of the Brazilian Space Activities Commission, visited the PRC last December for the same prupose. As a result of those two evaluation visits, the Chinese delegation that is now in Sao Jose dos Campos will discuss with CTA technicians the concrete aspects of the areas of cooperation that have already been identified.

AIRPORT WORKERS STRIKE STOPS ALL FLIGHTS

PY010350 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 1 May 85

[Text] The first day of the strike by ground and flight personnel has caused losses just to Sao Paulo Air Company of 2 billion cruzeiros with the cancellation of 28 flights.

After the first 24 hours of the strike, all air travel will be paralyzed because flights must make stopovers in Rio de Janeiro and Sao Paulo where the strike is most severe. All airlines were greatly affected by the strike, except the Transbrasil Company, which has a separate agreement with its personnel. The air taxi companies have doubled their flights.

GOVERNMENT MINISTERS DISCUSS SAO PAULO STRIKES

PY012145 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 1 May 85

[Text] Waves of strikes threaten to paralyze Sao Paulo. The government has expressed its concern both at the federal and state levels. It has said that elements alien to the strike movement have infiltrated, with the objective of agitating the professional workers. The meeting at the Bandeirantes Palace reflects the government's concern over this movement. Bahia Filho reports:

[Begin report] The labor, and industry and commerce ministers, Almir Pazzianotto and Roberto Gusmao, respectively, have met with Sao Paulo Governor Franco Montoro to evaluate the strike movement involving the metalworkers, and airport ground and flight personnel. Minister Gusmao said that President Jose Sarney is very concerned over the outbreak of this activity but that for him strikes are normal in a democratic regime.

The truth is that the strike movement is causing the government concern. Industry and Commerce Minister Gusmao affirmed that he does not see the danger of a political reversal as a consequence of the strike movement, adding that this is just an abusive manner of making demands. According to the ministers, the workers have the right to strike, but this right has limits set by law and mutual respect. The government will enforce these limits, and will not depart from that position for any reason. Gusmao believes that the strikers' aggressiveness reveals their political motivation.

The same concern has been expressed by Commander of the II Army, General Sebastiao de Castro, who held a 45-minute, closed-door meeting with the Sao Paulo governor.

Labor Minister Pazzianotto does not believe that the strike is a means for the workers to test the new government nor does he believe that the strike is an unscheduled activity on the labor movement calendar.

[Minister Pazzianotto] From my standpoint, these collective negotiations are contemplated in the labor negotiation schedule, because these negotiations have their own schedule. In August, rather September 1984, I said that in April we would have problems in the metalworkers and other sectors because it would be time for collective negotiations. If these negotiations fail, they end up in strikes. I don't want to believe that this is a test, a provocation, a destabilization, because this government is founded on the Constitution, on the popular will, and this government has only been in power for a very short time to fulfill its objectives, among them, the one of granting autonomy and freedom to the working class. [end report]

ARMY MINISTER REDUCES CIE MILITARY PERSONNEL

PY010205 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Apr 85 p 2

[Text] Brasilia -- Repealing a secret resolution issued by former Army Minister Walter Pires, current Army Minister General Leonidas Pires Goncalves has reduced the number of military personnel in the Army Intelligence Center [CIE]. This reduction of personnel affects approximately 70 men, including officers and enlisted men.

According to Gen Pires Goncalves resolution, published in the official gazette, the reduction of the CIE personnel will affect the area and Army commands. At the beginning of his administration, the end of 1980, former Army Minister Walter Pires had designated approximately 150 CIE representatives of the 2d Army in Sao Paulo.

According to the resolution, Gen Goncalves expects that by 31 May all steps will be taken to redistribute the personnel and material used by those 70 men.

According to military analysts, this reduction of the CIE personnel complies with the policy outlined by Gen Pires Goncalves to make efforts to professionalize the Army and have officers who will be dedicated more to the activity-goal of the force, that is, to the operational goals.

Moreover, according to the same analysts, the excessive growth of the CIE, in the two recent periods of Army history, has resulted from internal disagreements within the intelligence community, that is, between the intelligence centers of the individual services, and the National Intelligence Service [SNI].

These disagreements were more intense during the Geisel government, when a rift occurred between the president and Army Minister General Sylvio Frota, and more recently, after 1980, when former Minister Walter Pires issued his secret Resolution No 13 increasing the number of CIE personnel at the Army commands. Working separately with the SNI, at that time, these disagreements became more notorious after the Riocentro episode, in contradiction to the Baungarten case and the Malvinas war (due to the transfer of SNI chief General Octavio Mediros to Argentina, for a typically military mission).

This should no longer occur, the experts stated. More than colleagues in uniform Generals Pires Goncalves and current SNI chief Ivan de Souza Mendes, have been friends for many years. And this reduction of the CIE personnel shows that, in addition to the professionalization desired by the Army, the SNI will be charged with working in coordination and cooperation with the Army as far as intelligence in the four branches of study is concerned, as understood by the followers of the national security ideology: military, political, economic, and psychological-social.

OFFICIALS REJECT CALL FOR DIRECT ELECTIONS

PY301815 Paris AFP in Spanish 1420 GMT 30 Apr 85

[Text] Sao Paulo, 30 Apr (AFP) -- Official sources have said here that the revival of the campaign for direct elections or universal suffrage represents a coup against the civilian government and its institutions.

To talk about direct elections now will be a real coup against the institutions, said Sao Paulo Governor Franco Montoro, a prominent leader of the ruling Brazilian Democratic Movement Party (PMDB).

Montoro said that the Brazilian people have approved a program which has to be fulfilled: the call for a national constituent assembly next year to establish the presidential term.

Montoro's statement strengthens the recent remarks made by presidential spokesman Fernando Cesar Mesquita that the call for elections is a coupist attitude against the Brazilian civilian government.

Ulysses Guimaraes, president of the PMDB and of the Chamber of Deputies, has stated that his party will vote against any proposal for a constitutional amendment to reestablish direct elections.

In 1984 the PMDB, through its Deputy Dante de Oliveira, proposed an amendment for direct elections, but it has now modified its position after taking over the government on 15 January through an indirect election in the Electoral College, and organization established under the military government.

WORKERS PARTY PRESIDENT VIEWS POLITICAL SCENE

PY261445 Paris AFP in Spanish 2115 GMT 25 Apr 85

[By David Marquez Carrillo]

[Text] Sao Paulo, 25 Apr (AFP) -- President Jose Sarney does not have the credibility or the representativity of Tancredo Neves, but the Brazilian workers will defend the constitutional succession because we do not want a coup, Luis Inacio da Silva, Lula, today said in an exclusive interview with AFP.

The union leader and president of the Workers Party (PT) added that in order for Sarney to obtain a minimum amount of credibility with the Brazilian people, it would be necessary for him to speed up the call for a constituent assembly; to establish the date for direct elections and the length of the current presidential term; and to fully reestablish union freedoms, including the right to strike.

Da Silva said that Sarney will have great difficulties in governing, because he still does not have any credibility.

The Brazilian political picture changed considerably with the death of Tancredo Neves on 21 April because his successor has now become the leader of the government, a man who was president of the military government's party until he decided to support Neves in June 1984.

In this context, Lula said he wants the democratic process stepped up.

The PT, a small organization representative of the Brazilian left, advocates the formation of a front with the progressive sectors of the (governing) Brazilian Democratic Movement Party (PMDB) and of the Workers Democratic Party (PDT) of Rio de Janeiro's Social Democratic governor, Leonel Brizola.

Lula said, however, that it will be very difficult to form a coalition with the pro-Soviet Brazilian Communist Party (PCB) because it belongs to the far left.

Lula, a nickname alluding to a crustacean from Pernambuco State and which has been legally registered, said that he would not like to be a presidential candidate but that he would like to be elected deputy in a constituent assembly.

Lula believes that if direct general elections are called soon, the leader of the PMDB, Ulysses Guiamares (who was proposed to replace Neves on 15 March by some sectors of Congress), has more right to be a candidate than any of us, although he has little possibility of success.

According to political observers, Tancredo Neves' departure from the Brazilian political scene opens the way to new personalities like Brizola, Sao Paulo Governor Franco Montoro, and former Vice President Aureliano Chavez.

According to Lula, Paulo Maluf, who was the candidate of the military government in the indirect 15 January elections, has no chance of participating in elections.

Lula said: It is time once and for all to put an end to the silliness of the monster Maluf, because no one believes in him, not even the private businessmen, who gave all their support to Tancredo Neves.

He also stated that the current metalworkers strike demanding a reduction in the 48-hour work week to 40 hours cannot be interpreted as an incitation to a military coup or to a weakening of the democratic process.

He said: The strike is a symptom of the fact that we are living in a democracy.

WORKERS PARTY SUPPORTS CONSTITUENT ASSEMBLY

PY300235 Brasilia Domestic Service in Portuguese 2200 GMT 29 Apr 85

[Text] Deputy Eduardo Matarazzo Suplicy, on behalf of the Workers Party, today expressed support for the summoning of a constituent assembly this year and the approval, within the first half of this year, of amendments that will do away with the trappings of authoritarianism that still prevent direct elections at all levels.

Eduardo Matarazzo Suplicy said that President Jose Sarney should allow the free discussion of the duration of his term in office, instead of terming any statement in favor of direct presidential elections in 1986 as a coup attempt.

VEJA COMMENTARY ASSESSES CABINET LOYALITIES

PY270320 Sao Paulo VEJA in Portuguese 24 Apr 85 pp 30, 31, 32, 33

[Unattributed commentary: "Who Wins With Sarney; Who Loses Without Tancredo"]

[Text] The coming of Jose Sarney to the presidency prompts a rearrangement of the map of power in Brasilia. Although all the ministers will initially remain in their post, these posts change in importance depending on who occupies them. In general, with the promotion of Jose Sarney, the leaders of the Liberal Front move ahead because they are more closely associated with the president. The Brazilian Democratic Mobilization Party [PMDB] left also gains because it is now freer to attack the government. Obviously, those who enjoy good personal relations with the president also gain. This is the roster of those have come to have more weight in the country's political scene:

Aureliano Chaves: He is the man whom Sarney owes most for being the president now. In forming the Democratic Alliance, he was the one who confronted the resistance of the PMDB, that of Tancredo Neves and his own colleagues of the Liberal Front to have Sarney as the vice presidential candidate on the ticket. He is now in a position to collect on this debt.

Marco Maciel: With Tancredo Neves as president, he was running the risk of becoming a second-row minister. With Sarney, he now becomes a front-row minister. Of all the Liberal Front ministers, he is the one who is politically more in tune with the president with whom he has worked since the break with the Social Democratic Party [PDS]. He should be now one of the government's mainstays.

Jose Aparecido de Oliveira: He is one who wins the most with the new situation because he is Sarney's closest, if not only, friend in the cabinet. In contrast with the relations he had with Tancredo Neves, with whom he had clashes throughout decades of politics in the state of Minas Gerais, his relations with Jose Sarney comes from the times of the extinct National Democratic Union [UDN]. Because of the personal relationship he enjoys, he should become one of the main political negotiators for the president. In recent days, he has been a constant companion of Jose Sarney at Jaburu Palace.

Nelson Marchezan: Although technically in the opposition as one of the main PDS leaders, Deputy Marchezan is one of the politicans on the best of terms with Sarney. They have been operating together since the times of President Ernesto Geisel, and they want to continue to do so. With Sarney as president, Deputy Marchezan has come to be a key man in obtaining the support of the non-pro-Maluf PDS for the government.

Leonel Brizola: The governor of Rio de Janeiro had promised to be the loudest voice of opposition to the Tancredo Neves government. With Sarney, his situation is clearly better, because it will easier and politically more profitable to act as opposition to the former president of the PDS than against the hero of the national reconciliation. He should score points at the expense of every mistake made by the new government. He is playing for the presidential chair, in which he wants to sit with the support the malcontents.

Olavo Setubal: He is not close to Jose Sarney, he may not have Sarney's admiration, and he occupies a portfolio that has no internal weight, but Setubal has something that Sarney needs. He has the massive support of the businessmen and he is their middleman with the new government.

As long as he is in Brasilia, Setubal may count on a great deal of patience and understanding from the national and international business community. He would have been important for Tancredo Neves, but is indispensable for Jose Sarney, who cannot afford to treat him too lightly.

Abreu Sodre: The former governor of Sao Paulo who has been away from the political front line for many years, is among those who gain many points with Sarney's advent to power. A long-standing friend and partner of the new president, Sodre is responsible for the strong political support which Sarney has in Sao Paulo, especially among the businessmen. Sodre is Sarney's trusted representative in the main state of the country, if he wants to he can go to Brasilia.

Leonidas Pires Goncalves: The Army minister is, individually speaking, the strongest pillar of Sarney's administration. Futhermore he enjoys an excellent personal relationship with the new president. Sarney went all the way to convince Tancredo, at the time when the composition of the cabinet was being discussed, to appoint Leonidas. He would be a key minister under any circumstance, but he will support Sarney more than he would have supported Tancredo. During this sensitive month, he showed that he can control the troops. The risk he runs, along with the entire Sarney administration, is having his portfolio come under fire from the politicians.

Joao Sayad: The planning minister was running the risk of being virtually overshadowed by Finance Minister Francisco Dornelles if Tancredo had taken over because there would have been only one voice in the economic field and that voice was not going to be his. Now his situation has improved considerably and his role as PMDB representative in the economic sector has ceased to be that of a mere figurehead. He will have split decision-making power with Dornelles and he has the support of the PMDB left wing in the administration and in Congress. Sayad will gain power as fast as Dornelles loses it.

Luiz Inacio Lula da Silva: The president of the Workers Party [PT] will now share the political advantages gained by Rio de Janeiro Governor Leonel Brizola. Furthermore, his party is all geared up to swallow the most leftist factions of the PMDB, which are following Sarney with considerable reluctance. Every time the administration clashes with Lula, it will be losing dissidents to the PT and every time it gives in to him, he will take advantage of it.

The intimate circle: Roseana, daughter of President Jose Sarney is now following a path exactly opposite that of Aecio Neves da Cunha, Tancredo's grandson. Now that his grandfather is gone, Aecio will no longer be the president's private secretary, while Roseana, with her father's advent to power, will now take this position on the third floor of the Planalto Palace. Together with Roseana, other persons very close to the president, will rise to the political front line. Such is the case of the president's son, Federal Deputy Jose Sarney Filho who will become in Congress a figure of prestige far beyond that which is to be expected for a 27 year old man. Another deputy of little note will also rise into the limelight: Jaime Santana, of the Liberal Front Party [PFL] for Maranhao State. Santana is one of the few parliamentarians close to Sarney: he accompanied the president during Tancredo's critical seventh operation, and shared his anxiousness at the Jaburu Palace. There is always room for him on the president's agenda.

President Tancredo Neves' absence has orphaned certain persons who were going to wield considerable power under the new Republic, has reduced the power of others, and has posed some difficulties to yet another group. To begin with, all those whose power in the administration stemmed from Tancredo himself are among the losers. Meanwhile, the politicians who were getting ready to spend the next few years supporting Tancredo, which is one thing, and will now have to support Sarney, which is something else again, are having some reservations. We will now show who lost with Tancredo's illness.

Ulysses Guimaraes: In order to extend his support to Sarney as president of the nation, the president of the PMDB and the Chamber of Deputies will have to make twice the effort that would have been required to support Tancredo Neves, and will earn only half of the benefits he would have reaped under Tancredo. He knows that it will not be easy to keep the PMDB united around the administration and is preparing himself for the resulting loss of prestige. Furthermore, Guimaraes will be one of the favorite targets of the conservatives.

Helio Garcia: With Tancredo as president, Garcia would have been one of the strongest governors in the country. From now on he will be just another governor. Sarney, who does not like his impulsive character, may treat him with consideration in honor of Tancredo but there is no reason for him to grant Garcia a privileged status. He is one of the politicians who loses a lot with the president's demise.

Thales Ramalho: With Tancredo in Government Palace, the deputy for Pernambuco State would have played the role of Tancredo's main political adviser on the strength of a long-standing friendship and mutual professional admiration which bound them. Tancredo, who wanted to appoint him justice minister or head of the civilian household, had asked him for advice when choosing his ministers and would have continued seeking Ramalho's advice. Having been Sarney's adversary for the last 20 years, Ramalho will keep his distance.

Francisco Dornelles: Quoting from a joke of one of the new president's advisers, Dornelles "is not Sarney's nephew." With his uncle absent, his situation has deteriorated simply because he was going to be Tancredo's closest and most influential adviser. Dornelles was going to have a great deal of power because he was going to be the executor of the president's economic policy: His voice would have carried the same weight as Tancredo's. Now his best tool will be an effective economic policy. If it succeeds he will gain strength. If it fails, he will be chewed up by his own colleagues. His trump card is the support of the conservatives, which he enjoys inside and outside of Sarney's administration.

Renato Archer: Archer did everything he could to prevent Jose Sarney from becoming vice president. Jose Sarney did everything to prevent Renato Archer from becoming a minister. Archer ended by being minister for science and technology and Sarney became president to the chagrin of Archer who is now in the uncomfortable situation of being subordinate to his staunchest adversary in the politics of Maranhao State. He will remain as minister thanks to the support of his close friend Ulysses Guimaraes, but he has become a goodwill hostage of President Sarney.

Geraldo Braga: The head of the National Intelligence Service (SNI), Central Agency will have under Jose Sarney a future less brilliant than he would have had under Tancredo Neves, whose campaign he had helped.

More than once President Sarney has expressed to other politicians his concern over General Braga remaining in this position. The general idea is that the intelligence community must undergo a reform broader than it has experienced so far.

Fernando Henrique: This senator from Sao Paulo was designed to be, despite the fact that he held no ministerial position, one of the most influential and prestigious politicians under the administration of Tancredo, who had created especially for him the unprecedented position of congressional leader. His rating will fall because Sarney will count on him a lot less that Tancredo would have, and also because his plans to get himself elected governor of Sao Paulo in 1986 will be hampered. Up to 14 March his career was being furthered by his own prestige and the charisma of the president. Now he can only count on the former.

Mauro Salles: The minister for extraordinary affairs, a friend of Tancredo Neves, his wife Risoleta, and Francisco Dornelles, has become a politically loose link in the government structure. Tancredo, with whom he had worked since the former had been a congressman, would have found in Salles a close adviser with an excellent background in the news media. Jose Sarney, who barely knows him, will not assign him this role in Government Palace.

Franco Montoro: Montoro's candidacy for president of the nation will be weakened by the burden inherent in supporting Sarney. Furthermore, just as PMDB President Ulysses Guimaraes, Montoro will have to cope with the obstacle which no candidate of more than 65 years of age (Montoro is 68) will be able to avoid from now on: Prove that this age does not pose a risk.

Fernando Lyra: Just as Francisco Dornelles was Tancredo Neves' economic tool, Justice Minister Fernando Lyra was his political tool. With the president gone, Lyra will lose his status of minister with free access to the Planalto Palace. He was one of the first to decry Jose Sarney's nomination as vice president on the PMDB ticket and despite the reapproachement, which took place after 15 March, he has no special ties with Sarney. His main trump card is his experience in dealing with Congress.

The intimate circle: The situation of Jose Hugo Catelo Branco, chief of the Civilian Household; Tancredo Augusto Neves, special secretary; Aecio Neves da Cuha, private secretary; and Antonio, the secretary; is similar: their advent to power was based on the fact that they held the personal trust of Tancredo Neves and now their connection with the 4th floor of Planalto Palace may disappear. Jose Hugo, as head of the civilian household, would have fastidiously served Tancredo Neves and it is not likely that he will keep his post under Sarney. Tancredo's son, Tancredo Augusto, no longer has any reason for remaining in Government Palace where his influence would have been considerable, and the same applies to Tancredo's grandson, Aecio, who has already surrendered his position to Sarney, after he and Tancredo Augusto had been sought after as never before during the 2 short months between victory and illness. Antonia, who handled Tancredo Neves' agenda, was feared by all politicians and was very mindful of her power, has been asked to stay by Sarney, but she will have no influence in Government Palace.

PINOCHET DISCUSSES ECONOMY IN 1 MAY SPEECH

PY011834 Santiago Domestic Service in Spanish 1631 GMT 1 May 85

[Speech by President Augusto Pinochet at ceremony held in La Tortuga Municipal Gynasium in Talcahuano to mark Labor Day -- live]

[Excerpts] Chairwoman of the National Organization of Chilean Women; cabinet ministers; regional intendant; chief appellate justice; generals; under secretaries; State Council members; national, provincial, and local military, civilian, and religious officials; special guests; leaders of business and labor organizations; workers of Chile, and friends: Before starting my speech, I wish to tell Mr Juan Haedo and Mr Mario Torreblanca that many of their proposals were already considered or are being considered. Therefore, they can rest assured that my main concern is for the workers. [applause]

Fellow countrymen, we wanted to celebrate Labor Day in this part of the country to emphasize the significance the government attaches to every region.

It is only fair to state here today that thanks to the patriotism and ability of the Chilean workers we have been able to repel the attacks of those unpatriotic individuals who have disseminated abroad their fallacies and lies to lure the support and even the intervention of foreign countries.

It is the workers who have overcome difficult moments with optimism, high spirits, and exemplary responsibility, thus reflecting through their actions their commitment to Chile. [applause] It is the workers who, acting realistically and judiciously, have rejected negative attitudes and have energetically repudiated the adventurous attempts by some unsuccessful minorities to regain power.

The most serious problem stemming from the economic crisis has been unemployment. The government has focused priority attention on this problem by taking specific measures to create jobs, relief programs, and subsidies to the neediest sectors. Last year we created more than 250,000 stable and productive jobs. In the meantime, the financial status of enterprises has been gradually returning to normal. These are, gentlemen, the answers we have given to these problems, and not the demagogical solutions suggested by some. [applause]

The various measures taken, which are proof of the government's priority concern to create jobs, have been instrumental in reducing unemployment to 12.8 percent nationwide in 1984, and in some regions, such as this one, to 7.8 percent. While this is encouraging, it has not satisfied us. Therefore, I hereby reaffirm our commitment to promote the creation of jobs and call upon all sectors to make a special effort to assume this responsibility, which should not be undertaken by the government alone. This is a responsibility that should be shared by all Chileans, notably the wealthier sectors. [applause]

I want to clearly and emphatically state that the government will not allow any violation of workers' legitimate rights. [applause] I also want to energetically state that these rights must be responsibly and honestly exercised by the workers in keeping with our difficult economic situation. Thus, I urge the workers to maintain a realistic position and the businessmen to not let themselves be dragged into nefarious practices that go against our labor laws.

Ladies and gentlemen, the government believes that the only way to safeguard a harmonious social order to promote the common is by guaranteeing just management-labor relations that take into account workers rights.

The basic pillars of the Chilean labor system are collective bargaining within each enterprise, and free, autonomous, nonpolitical union organizations. Collective bargaining is of a technical nature and should be conducted within each enterprise. It is only there that one can determine the productivity of each worker and have access to information to reach a reasonably equitable agreement. Collective bargaining for sectorial activity has been once and for all eradicated from our system. This has discouraged the involvement in genuine union activities by bad politicians who make their partisan interests prevail over the workers' interests. [applause]

In addition, our system includes union organization regulations that guarantee freedom of association, responsible leadership, and internal democracy. A union leader should serve his rank and file members and not take advantage of his position to promote partisan interests. [applause] The workers must unmask those who are seeking to use labor organizations as instruments to achieve their goals. Those opportunist union leaders do not represent the true Chilean worker. [applause]

Another pillar of the Chilean labor structure is the court organization. In this area and in this ceremony I want to sign a proposal that will allow the legislature to approve a bill creating first instance labor courts. [applause] Through these initiatives and further studies designed to improve the rules governing collective bargaining, we are completing the stage of adjustment of the Chilean labor laws.

Ladies and gentlemen, social security is another major issue in our labor system. The new social security system covers over 2 million workers who have contributed nearly 200 billion pesos. More than 15,000 pensions are being paid today, such as pensions for disability and to widows and orphans, pensions which are double or triple those paid in the past. To further consolidate these pensions and make them stable in the long term, in 1984 we studied and expanded the possibility of investing the workers' funds. By virtue of Law 18398, for the first time in Chilean history the workers will become owners, through their social security funds, of major solid Chilean enterprises. [applause]

Chilean men and women, the efforts of the Chilean Government, businessmen, and workers are jeopardized by the harmful actions of some political leaders who have sought to sow hatred and division. While the government has tried to solve the Chilean workers' problem, these bad politicians continue to advocate demagogic solutions foreign to the country's reality. Chile needs men with initiative who are willing to work and not opportunists who want to take advantage of the union situation. [applause]

However, we should not seek peace and accord in the labor sector alone. We should seek it in every sector of national life. Tomorrow, 2 May, a ceremony that represents a victory of peace will take place in the Vatican. [applause] Pope John Paul II will attend and will sign the solemn document whereby Chile and Argentina will exchange the ratification instruments of the peace and friendship treaty. Moved by a deep desire for accord with the Republic of Argentina, the Chilean Government has unwaveringly supported His Holiness' mediation role. [applause] We are convinced that the desire for maintaining peaceful relations, for economic cooperation, and for physical integration, stated by Chile and Argentina in the treaty, will be instrumental in making the efforts of the two countries yield mutually beneficial results. [applause]

Workers, today as I celebrate with you the national Labor Day I look with faith and optimism to the future of our fatherland. I am convinced that only through disciplined work and generous dedication will we overcome the difficult moments we are going through. By working together and being determined to give the best of ourselves to move ahead, we will fulfill our desire to bequeath to our children a great, sovereign fatherland. Long live Chile! [applause]

GOVERNMENT TO CONTINUE ENFORCING STATE OF SIEGE

PY020145 Madrid EFE in Spanish 2333 GMT 1 May 85

[Excerpts] Talcahuano, Chile, 1 May (EFE) -- Minister Secretary General of Government Francisco Javier Cuadra announced here today that the Chilean military regime will continue to enforce the state of siege that was implemented approximately 6 months ago.

Cuadra also stated that for the time being there is no set schedule for lifting the state of siege. Cuadra was questioned by journalists in Talcahuano, a city located 500 km south of Santiago, where he had traveled with General Augusto Pinochet's entourage for the official celebration of Labor Day. Cuadra stated that the government usually makes a daily evaluation of the violence carried out by groups that insist on disturbing public order throughout the country. Public disturbances have diminished, he added, but for the time being there is no set schedule for lifting the state of siege.

POLICE BREAK UP WORKERS STREET DEMONSTRATION

PY011919 Paris AFP in Spanish 1816 GMT 1 May 85

[Text] Santiago, 1 May (AFP) -- The Chilean police today used tear gas, truncheons, and water cannons to break up a group of workers who were trying to carry out a street demonstration in Santiago after a rally celebrating Labor Day.

According to witnesses, eight persons were arrested. There were no reports of injuries among the demonstrators. The demonstration was called by the opposition unions headed by centrists and leftists.

VALDES 'SATISFIED' BY REPLACEMENT OF MOTLEY

PY020335 Paris AFP in Spanish 0306 GMT 2 May 85

[Excerpt] Santiago, 1 May (AFP) -- The opposition Chilean Christian Democratic Party [PDC] today expressed its satisfaction over the resignation of Langhorne Motley from his post as the U.S. assistant secretary of state for inter-American affairs.

Motley recently made unfortunate remarks about Chile's current situation [words indistinct] PDC President Gabriel Valdes stated. Valdes added: He also delivered heavy blows to the democratic opposition (to the military regime of President Augusto Pinochet).

Valdes greeted the designation of Elliott Abrams to replace Motley and stated that the new assistant secretary is known for his dedicated defense of human rights and his excellent knowledge of Chile. This is an event we must celebrate, especially we who want the immediate restoration of democracy in Chile and a correct understanding by the U.S. Government of what is happening in our country, he stated.

FOREIGN MINISTER ON U.S. EMBARGO OF NICARAGUA

PA020104 Bogota Cadena Radial Super in Spanish 0000 GMT 2 May 85

[Text] Foreign Minister Augusto Ramirez Ocampo has made the following important statement regarding President Ronald Reagan's decision in relation to Nicaragua's political situation:

[Begin recording] The truth is that it is a regrettable decision, because it adds to the problems in the region. We were all hoping that the so-called Manzanillo talks -- in other words, the bilateral talks between the United States and Nicaragua -- would be resumed in one way or another. However, I think that with President Ortega's trip to the USSR and the blockade decision, this possibility is now remote, and thus the possibilities of an understanding between these two countries have been reduced. [end recording]

GOVERNMENT MINISTER ON TALKS WITH FARC

PA300035 Bogota EL SIGLO in Spanish 25 Apr 85 pp 1, 8

[Quotation marks as published]

[Text] The government and representatives of the Revolutionary Armed Forces of Colombia, FARC, reached full agreement during the weekend on carrying out several actions which will permit the peace agreement signed on 28 March 1984 in Uribe, to be fulfilled. The announcement was made yesterday by Government Minister Jaime Castro. This is what he said:

"On 20 April, in a remote place in Meta Department, I, accompanied by Senator Alvaro Leyva Duran and Dr Jose Vicente Katarain, held a meeting with Manuel Marulanda, Jacobo Arenas, Alfonso Cano and Raul Reyes, leaders of the FARC, an organization that has made public its decision and agreement to gradually and progressively become an unarmed political party under the name of the Patriotic Union. During a frank, wide-ranging, and long conversation we discussed the details of the process, its progress, and also its obstacles.

FARC reiterated its support for the agreement signed with the Peace Commission on 28 March 1984 and its wish to respect and comply with the agreement. It also offered its support and cooperation in resolving those situation that have stood in the way of the absolute and total fulfillment of the agreement in some regions of the country. For that purpose, FARC asked the government to install a communications service so that it can directly and immediately get in touch with the Peace Commission, to put into operation the regional verification commissions with the participation of qualified FARC representatives, and to give guarantees to FARC members who go into conflict zones, accompanied by government officials, to investigate and remedy the problems that exist.

The government also expressed its desire to respect the signed agreements and to continue legislating with Congress, so that with wisdom, equity, diligence, and a desire to succeed it can pass the pardon bill and other bills intended to improve our political and institutional life, to create new opportunities for the citizens to participate, and to give all the guarantees to those, who observing the most strict and absolute respect for the law, wish to take part in the nation's public life.

Among the initiatives and projects ahead are the mayorial elections and the efforts to provide Congress with the tools for efficiently carrying out its verification tasks, to reform justice so that it can be applied promptly and efficiently, to implement a stringent administrative and fiscal decentralization program; to legalize the political parties, to finance the political campaigns; to ensure the citizens' free access to official documents and the state news media, and to establish an autonomous, efficient and trustworthy electoral branch.

The cease-fire, that is, the suspension of armed clashes with the organizations that signed, complied with, and respect the agreements signed last year, as well as the law that pardons persons who have committed political crimes and the reforms that update our institutions, will hopefully lead all the guerrilla forces to return to the country's civilian life within a short time. This step, which is considered essential and decisive in the search for peace, will be the precursor of the joint and united effort required in the struggle for the economic and social reforms required by the country to resolve the obvious shortcomings of our democratic system.

This step will also permit a clear and necessary differentiation in the various types of crimes. In this way, the public force can efficiently carry out its constitutional duty to defend the institutions and struggle against the forces opposed to the peace policy, to which Congress, the government and the entire nation are committed.

TERRORIST ATTACK FOILED IN CAUCA DEPARTMENT

PA300257 Bogota EL SIGLO in Spanish 26 Apr 85 pp 1, 2

[Text] A terrorist action which could have had very serious repercussions was foiled yesterday by the police, who deactivated eight high-power homemade bombs which had been placed a just a few meters from a National Army base in the capital of Cauca. An authorized spokesman for the National Police General Directorate reported that alleged urban guerrillas of the self-styled "Ricardo Franco" Front of the so-called Revolutionary Armed Forces of Colombia (FARC) placed the bombs near the headquarters of the "Jose Hilario Lopez" Battalion.

According to the official spokesman, the bombs were going to be set off by remote control.

The terrorist plan was foiled as a result of a telephone call made to the authorities by the residents of La Cabana, Popayan, Cauca, who noticed three suspicious-looking men wandering around the area. The police went to the area immediately but did not find the suspicious characters, although they started to inspect the area. Much to their surprise, the policemen found 75 lb of dynamite and gunpowder. The F-2 explosives experts of the National Police were called in to deactivate the eight bombs.

BRIEFS

OIL FIELD PROSPECTS -- Bogota -- Three billion dollars will be invested in the remaining exploration, production, and transportation infrastructure programs at the giant Cravo Norte oil field, in Arauca Intendancy. According to Occidental Petroleum officials, 14 wells drilled so far have turned out to be very productive and have allowed confirmation of reserves of more than 1 billion barrels of light crude. To complement the exploration plans, within the next 5 years at least 60 more wells will be drilled, and it is calculated that the reserves already confirmed could increase considerably. According to Occidental, Cravo Norte is a field of worldwide dimensions and will ensure Colombia's internal supply and light crude exports as of 1986. [Text] [Bogota Emisoras CARACOL Network in Spanish 1215 GMT 29 Apr 85 PA]

SANGUINETTI REQUESTS AID FROM ITALIAN PRIME MINISTER

PY010155 Montevideo Radio Carve in Spanish 0000 GMT 1 May 85

[Text] President Julio Maria Sanguinetti, in his role as current executive secretary of the Cartagena Group today sent a message to Italain Prime Minister Bettino Craxi on the occasion of the summit conference of industrialized nations which will begin in Bonn tomorrow, 1 May.

In his message, delivered by a group of Latin American representatives headed by Uruguayan Charge d'Affaires in Italy Federico Vila, Sanguinetti requested Craxi's special intervention in the Latin American foreign debt issue.

According to a communique released by the Council of Ministers, President Craxi [as heard] will pay special attention to Sanguinetti's message, in compiance with the spirit of traditional friendship between Italy and the Latin American countries. The so-called Cartagena Group is made up of the 11 Latin American countries with the largest foreign debt in the continent.

IMF DELEGATION ARRIVES IN MONTEVIDEO FOR TALKS

PY012340 Paris AFP in Spanish 1554 GMT 1 May 85

[Excerpts] Montevideo, 1 May (AFP) -- On 30 April an IMF delegation began a number of studies in Montevideo seeking a preliminary agreement to open the doors for Uruguay to renegotiate its foreign debt (some $5.6 billion).

Economy Minister Ricardo Zerbino has stated that the agreements with the IMF contemplate the need to continue with the so-called adjustment policies, but added that they are not recessive.

According to government sources, the government has established as goals an inflation rate of 70 percent and a reduction in the fiscal deficit equal to 8 percent of the gross domestic product.

The new talks with the IMF delegation in pursuit of a Montevideo memorandum, have been met with skepticism in financial circles. These sources have stated that the IMF handles technical methods and that the changes that have taken place in Uruguay in the political field do not change the methods used by the IMF to evaluate an economic model.

NEW NAVY COMMANDER PROMISES TO UPHOLD DEMOCRACY

PY301314 Montevideo Radio El Espectador Network in Spanish 0930 GMT 30 Apr 85

[Excerpt] The new Navy commander, Vice Admiral Hugo de Barros, promised upon being sworn in, to interpret and carry out the policies of the republican and democratic government. He added that national well-being is the main objective of democracy. The new Navy commander is the first commander of the Armed Forces appointment by the constitutional government of President Sanguinetti. Hugo de Barros is replacing Vice Admiral Rodolfo Invidio. The former commander of the Navy, Vice Admiral Hugo Marguez, retired, has told El Espectador that he is at the disposal of the congressional investigation committee for any questions.

Marquez added that he does not need any defense and that the accusers are the ones who have to speak up. Marquez made this statement at the conclusion of the swearing-in ceremony for the new Navy commander, Vice Admiral Hugo de Barros.

DOCK WORKERS STRIKE CONTINUES, 'COSTING MILLIONS'

PY012120 Madrid EFE in Spanish 1647 GMT 1 May 85

[Text] Montevideo, 1 May (EFE) -- Three Uruguayan dock workers trade unions, to which most dock workers belong, are in the third day of a strike. The strike has caused anxiety for the government and exporters, who claim that the strike is costing millions.

The Autonomous Union of Longshoremen, the Union of Maritime Associations, and the Longshoremen's Union are on a joint strike, demanding a 35-percent salary hike and other benefits.

Meanwhile, the Association of Transoceanic Navigation has released a communique claiming that since December 1982 salaries have been increased by 250 percent and indicated that the strikers demands are excessive.

The Labor Ministry is handling the conflict and looking for a solution which, for the time being, is evasive.

Meanwhile, the Union of Exporters has urged the government to find a prompt solution to the conflict because the strike prevents them from fulfilling their foreign commitments, thus harming the nation's economy.

In the meantime, several ships from various nations are anchored in Rio de la Plata suffering severe losses, waiting to dock at the port of Montevideo.

The government believes that this is not the right time for the strikers demands because port activities are heavy due to fire at the Argentine port of Bahia Blanca which has caused the overloading of the port of Buenos Aires.

However, the workers have pointed out that the fact that thousands of dollars are lost every day is what gives strength to their position and may hasten a solution to the problem.

DE LA MADRID COMMENTS ON UPCOMING ELECTIONS

FL301749 Mexico City NOTIMEX in Spanish 0330 GMT 30 Apr 85

[Text] San Luis Potosi, 29 Apr (NOTIMEX) -- The Republic's government will guarantee Mexico's people clean and peaceful elections next July, Mexican President Miguel de la Madrid said today. The head of state said he expects the elections will be a clear demonstration of the Mexican's people's civic duty and political maturity.

Interviewed at this city's airport, north of Mexico City, after concluding a working tour, President De la Madrid said that presently the Mexican political parties are developing their electoral campaigns with civic responsibility, tranquillity, and peace, not only in San Luis Potosi but in the rest of the country.

The head of state spoke about the municipal reform which the present administration is encouraging and said that with the new text of constitutional Article 115, this government level has been vigorously and dynamically renewed. The municipalities now have greater financial resources because their share of federal and local taxes has been raised to unprecedented amounts in the nation's history. The head of state asserted that services which were the responsibility of the federal or state government have been decentralized.

Finally, he referred to San Luis Potosi's great geographic location, allowing it to generate exports because of such factors as labor, communications, industrial expertise, and other advantages.

DEFENSE SECRETARY SAYS PARADES HELD WITHOUT INCIDENT

FL012328 Mexico City NOTIMEX in Spanish 2250 GMT 1 May 85

[Text] Mexico City, 1 May (NOTIMEX) -- Labor Day parades concluded this afternoon amid absolute tranquillity in all 31 states of the country.

Defense Secretary Juan Arevalo Gardoqui said that the event was observed harmoniously and without incident in all the states. He stressed that social tranquillity was a result of the foreign and domestic political intelligence ordered by President Miguel de la Madrid.

WORLD BANK ANNOUNCES DEVELOPMENT LOANS

FL012250 Mexico City NOTIMEX in Spanish 1930 GMT 1 May 85

[Excerpts] Mexico City, 1 May (NOTIMEX) -- It was announced here today that the World Bank has granted two loans, totalling $112 million, for agricultural development and rural highway improvement in Chiapas. A World Bank communique said the first loan, for $90 million, will contribute to an agricultural development project that will cost a total of $181.6 million and cover 317,500 hectares. The project will benefit 32,000 rural families in this southeastern region of Mexoc and create 15,000 full-time jobs.

Both loans were granted to the National Finance Bank, Inc. (Nafinsa) of Mexico and are to be repaid over 15 years, including a 3-year grace period. They have a variable interest rate although 9.29 percent is currently in effect to cover the bank's loan costs.

MINISTER PLACES POST AT PRESIDENT'S DISPOSAL

PA302317 Panama City Circuito RPC Television in Spanish 2230 GMT 30 Apr 85

[Text] Carlos de Sedas, minister of government and justice, this afternoon placed his post at the disposal of President Nicolas Ardito Barletta. According to the note submitted by De Sedas to the president of the Republic, he made this decision in order to allow the president to make the cabinet changes he deems necessary.

The government and justice minister's note says: I consider it a historical decision to place my post at your disposal so that you are free to make the changes you deem necessary on behalf of Panama, your people and the country in general.

It is probable that in the next hours, other government officials and cabinet members will do the same, so that President Ardito Barletta can make the changes in his government team.

To Remain in Cabinet

PA011549 Panama City MATUTINO in Spanish 1 May 85 p 1

[Text] The minister of government and justice has sent a note to the president of the Republic in which he places his post at the disposal of the president. The president of the Republic has exclusive power to designate and remove ministers. The executive branch has expressed its appreciation for the commendable motive that led Carlos de Sedas to this decision. Despite the minister's explanations, which reflect his selflessness, the presidency of the Republic has decided that the minister of government and justice should remain in his position until the president of the Republic determines otherwise.

LABOR MINISTER ON MEETING WITH PCC DIRECTORS

PA301633 Panama City Televisors Nacional in Spanish 0000 GMT 30 Apr 85

[Text] Panamanian Labor Minister Luis Anderson stated today that he hopes that May Day 1985 will bring about the solution to all the country's labor problems. The statement was made in reference to the negotiations between workers and the management of the Panama Boston Company. He also discussed the upcoming [as heard] meeting of the Board of Directors of the Panama Canal Commission [PCC].

[Begin recording] The most important point we discussed was the need to step up efforts to increase the participation of Panamanians in the operation, maintenance, defense, and administration of the Panama Canal. Although the PCC has been making efforts to achieve this goal, we believe that more can be done. The top positions in the canal's administration are characterized by a noticeable absence of Panamanians. We have clearly expressed Panama's position regarding efforts to place Panamanians in high-level positions. We also stressed the need to have more Panamanian canal pilots. This position is one of the most important and indispensable in the canal's operation. Another important topic was the modernization of the canal, as well as the increasing participation of Panama in its administration. We don't want to receive in the year 2000 a canal in similar condition to that in which the railroad and the ports of Balboa and Cristobal were turned over to Panama. [end recording]

COSTA RICA

GUTIERREZ ON U.S. EMBARGO: MONGE DECLINES COMMENT

PA020224 San Jose Radio Reloj in Spanish 0030 GMT 2 May 85

[Text] Costa Rican Foreign Minister Carlos Jose Guitierrez has said the U.S. blockade against Nicaragua will have an impact on Costa Rica. The foreign minister said the economic blockade the United States has announced against Nicaragua will bring serious problems to Costa Rica in terms of a massive flow of refugees that will begin within a few weeks. The refugee flow will likely start in the immediate future; as the economic deterioration grows in the northern neighboring country, its residents are going to choose to come to Costa Rica, he said. Nevertheless, the Costa Rican foreign minister said that the U.S. decision to begin an economic blockade against Nicaragua is taking place within the framework of bilateral commercial relations between the two countries. Costa Rican President Luis Alberto Monge has declined to comment on the matter.

LA NACION SCORES SOVIET EMBASSY STATEMENT

PA300418 San Jose LA NACION in Spanish 23 Apr 85 p 14 A

[Editorial: "Offensive Meddling"]

[Text] A few days ago the Soviet Embassy in Costa Rica published an official statement criticizing the U.S. military aid to the Central American governments and democratic groups, and, in addition, describing our government as "venal." There has never been a more disrespectful insult to the Costa Rican state and people. This is not only an insult to the president of the Republic, the members of the cabinet, the deputies and all the other branches of the government, but against all citizens. Lies and offenses, as instruments of aggression and of propaganda, are inherent with all totalitarian regimes, along with terror and systematic violations of all human rights. These days the world is commemorating the 40th anniversary of the liberation of Europe from Nazi terror and cynicism, the reign of horror that existed between the time of the barbaric ideas of Stalin and Lenin and its continuation in the world of Marxism-Leninism in the satellite countries and various nations trapped under the Soviet rule since Yalta. In all these dark chapters of the history of mankind, the USSR has utilized lies, terror, oppression, deceitful propaganda, and each embassy has a well-trained representative.

The campaign to discredit Costa Rica -- which a deficient government organization has not been able, much to our dismay, to fight or counter -- has had one original source: international communism which, well-versed in the matter and with a never-ending supply of resources for these purposes, utilizes, on each occasion the most appropriate servant to attack, by action or word. In Latin America, Cuba has carried out these tasks with a loyalty that has been tested and with remarkably efficiency. In addition, since 1979 Cuba has shared with the Nicaraguan regime a shrewd diversiiication of tasks: Nicaragua has been entrusted with the most outrageous tasks against its own neighbors, while Cuba directs and supervises the strategy and the USSR finances it and requests detailed explanations. With this opportunity, the Soviet Government itself has made use of its diplomatic representative in Costa Rica to directly attack our country. This is a variation of strategy and style, but the Costa Rican Government must react with dignity. not through the usual protest notes that only serve to fill up our Foreign Ministry's files, but with much more effective diplomatic weapons, in line with the magnitude of the offense.

An elementary sense of dignity advises, at this opportunity, to demand that the Soviet Embassy in Costa Rica categorically correct itself within a strict time limit, and if this is not done, our government should be led to think of other possibilities of punishing the Soviet diplomats in some way.

We cannot even imagine that the Costa Rican Government could be pleased with such a protest note, which would add insult to the outrage at our weakness. Likewise, we are sure that the Costa Rican democratic parties and the Legislative Assembly will react with pride and dignity in the face of this outrageous insult by the USSR Embassy in our country that already has several other issues pending with the Costa Rican democratic regime.

ARDE DELIVERS 'PRISONERS OF WAR' TO GOVERNMENT

PA301306 Paris AFP in Spanish 0339 GMT 30 Apr 85

[Text] San Juan River, Costa Rica, 29 Apr (AFP) -- The anti-Sandinist Democratic Revolutionary Alliance (ARDE) delivered today to the Costa Rican authorities five "prisoners of war" at the mouth of the Sarapiqui River with the San Juan River, bordering with Nicaragua, in northern Costa Rica. The anti-Sandinist rebels turned over the prisoners from a boat on the banks of the San Juan River before foreign and national newsmen.

The reactor of the University of Costa Rica, Fernando Duran, was present when the Nicaraguans were turned over, at the request of the National Autonomous University of Nicaragua (UNAN), in as much as one of the prisoners, Gustavo Sequeira Pena, 28, in a UNAN official. Duran pointed out that the ARDE officials told him they would deliver the prisoners if he were present. However, two of the five Nicaraguans -- the youngest ones, Liliana Coronado and Teodoro Rivera -- said they wanted to join the ARDE faction led by Eden Pastora to fight against the Nicaraguan Government. The other three are Javier Herrera Calderon, 16, a nurse's aide; Gustavo Sequeira Pena, deputy dean of the UNAN School of Medicine, whose legs had been injured; and Ernaldo Arias Reyes, a dentist. They all said they had been kidnapped and tortured.

The Nicaraguans were captured on Friday, 25 January, by fighters of the Miskito, Sumu, and Rama Sandinist Unity [Misurasata] Indian group when they were giving them medical attention in the Ramaki community in the Nicaraguan Atlantic coastal area.

The prisoners admitted they were in uniform when they were captured, but they insisted they were not fighting, but working, giving medical attention to the Indians of the area.

Javier Herrera said that Pastora had tried to gain international publicity by exploiting the fact that he was captured and later turned over to the Costa Rican Government. The three said they were kidnapped twice, first by Misurasata and later by ARDE.

The chief of the local guard unit, Jorge Cedeno, said that the case of the five Nicaraguans delivered today will be analyzed by the Costa Rican authorities.

PART OF DEBT RENEGOTIATED WITH PARIS CLUB

PA300134 San Jose LA NACION in Spanish 23 Apr 85 p 8 A

[Text] Yesterday the government was able to renegotiate nearly $281 million of the foreign debt with the Paris Club. There is according to information supplied from the French capital by Federico Vargas, minister counselor on the foreign debt, who was contacted by phone by LA NACION. The sum is broken down as follows: $90 million in capital and interest due in 1984; $67 million which will come due in 1985; and $124 million for 1986.

"It was a difficult, arduous task, in which we had to make several proposals, but the end result was most satisfactory. I consider that we have obtained better conditions than in 1983, when we also had to deal with the Paris Club," Dr Vargas said.

The meeting lasted 13 hours. It began at 1000, French time (0300 Costa Rican time), and ended at 2300 French time (1600 Costa Rican time). It was attended by representatives of 15 countries: The FRG, Canada, Denmark, the United States, Spain, France, Italy, Japan, Kuwait, the Netherlands, the United Kingdom, Sweden, Switzerland, Brazil, and Austria, as well as observers from the IMF, World Bank, the IDB, and others.

Dr Vargas, accompanied by Finance Minister Porfirio Morera; Dr Eduardo Lizano, executive president of the Central Bank; and Carlos Hernandez, director of the monetary institute, explained the following agreements reached:

-- The debts due in 1984 and 1985 will be considered as delayed in payment.

-- Ninety percent of the debts due up to 31 December 1984 were renegotiated and will be paid in 10 consecutive biannual installments; the first is to be paid on 15 February 1989 and the last on 15 August 1993.

-- The remaining 10 percent, corresponding to 1984, will be paid as follows: 3 percent on 30 September 1985; another 3 percent on 31 December 1985; and 4 percent on 31 July 1986.

-- Most of the payments of principal falling due between 1 January 1985 and 31 May will be renegotiated.

-- Ninety percent of the sum included within that period will begin to be paid on 13 February 1991 in 10 successive biannual installments, the last of which will be made on 15 August 1995.

-- The 10 percent they refused to renegotiate will be paid as follows: 2 percent on 1 June 1986; 4 percent on 1 June 1987; another 4 percent on 1 June 1978.

Dr Vargas said that the agreement with the Paris Club is an important step in consolidating the economic plans prepared by the executive branch for 1985. "We must now proceed to renegotiate with private bankers, obtain a $75-million loan from them, and convince the Legislative Assembly to approve the structural adjustment loan with the World Bank for $80 million in order to complete the 1985 economic package," he noted.

Regarding the meeting with the representatives of the governments to which we owed $701 million as of 31 December, the official said it was arduous and difficult. "We knew they would not accept our original proposal, but we never thought we would need more than 12 hours to reach an agreement," he affirmed.

BRIEFS

FOREIGN DEBT FIGURES -- Federico Vargas, minister counselor on foreign debt, has reported that Costa Rica's foreign debt as of 31 December 1984 was more than $4 billion. The public sector, which includes the government and all its institutions, has a foreign debt of $3.53 billion. Only the interest on the total debt of $4.03 billion has been paid in the last 3 years. The interest amounted to $1.44 billion. [Summary] [San Jose Radio Reloj in Spanish 1200 GMT 30 Apr 85 PA]

EL SALVADOR

COPREFA REPORTS GUERRILLA COMMANDERS KILLED

PA011249 San Salvador EL MUNDO in Spanish 29 Apr 85 p 1

[Text] About noon today, the Armed Forces Press Committee, Coprefa, reported that commando units of the Salvadoran Navy had a major clash yesterday with guerrillas near Jucuaran in Usulutan Department killing six of them, including Commanders Alirio and Tania of the FMLN leadership. Coprefa also said that local peasants told the Armed Forces that they had seen the guerrillas fleeing into nearby hills carrying many wounded members. It was said that after the clash, Army members searched the two commanders' clothing. The two guerrillas, a man and a woman, wore scarves identifying them as commanders. Coprefa also indicated that rifles, hand grenades, and backpacks containing much ammunition were found with the bodies of the six guerrillas.

The Coprefa communique added that five other guerrillas were killed and an unknown number wounded as a result of other clashes with Cuscatlan Battalion troops, who surprised the guerrillas on (La Piedrita) farm in San Jorge, San Miguel Department. The army seized AR-15, G3, and M-16 rifles, as well as other war supplies. It was reported that a Bracamonte Battalion had major clashes yesterday with FMLN columns near the 14th of July village in Jiquilisco jurisdiction, Usulutan Department. Battalion members found AR-15 and M-16 rifles left behind, as well as boxes containing Russian-made grenades and other military supplies.

In the same place a civilian was wounded when he stepped on a mine planted by terrorists. It was also said that a soldier of the 1st Chalatenango Military Detachment was seriously wounded when a mine exploded in the (El Gramal) canton, San Antonio Los Ranchos jurisdiction, Chalatenango Department.

GUATEMALA

ANDRADE WANTS AREA, CONTADORA, CUBA, U.S. SUMMIT

FL302038 Mexico City NOTIMEX in Spanish 2031 GMT 29 Apr 85

[Excerpt] Guatemala City, 29 Apr (NOTIMEX) -- Guatemalan Foreign Minister Fernando Andrade today called for a meeting of the presidents of the Central American countries, the Contadora Group member countries, the United States, and Cuba. The same proposal was first issued by former Venezuelan President Luis Herrera Campins during a meeting of former Ibero-American presidents in Spain. Andrade said Guatemala has received the proposal with interest and that President Humberto Mejia Victores is willing to talk with his counterparts in the region at any time.

NEW FINANCE MINISTER GONZALEZ DISCUSSES BUDGET

PA302227 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 29 Apr 85

[Excerpt] Both a noisy failure in the attempt at establishing taxes of devastating effects on black Easter Monday and the appointment of a new finance minister were necessary before Guatemalans were able to learn some details and figures about the country's serious crisis. Although far from complete, the information offered during the first national dialogue held 4 days ago, gave reliable reference data to determine the real nature of a crisis that we only learned of through some of its manifestations.

In this difficult situation, it is necessary to precisely and clearly indicate the responsibilities and factors involved in the crisis. Many officials are making their utmost efforts to diminish the government's leading role in the generation of the economic deterioration afflicting us. However, we must tell those officials, publicly and finally, that the governments have been ultimately responsible for the crisis because, in addition to the secrecy with which the figures related to our economy were handled until 4 days ago, we have also suffered the inability, speculation, dishonesty, and corruption of officials who, comfortably installed in airtight positions, destroyed the national finances.

Guatemala's economic situation is very difficult. We have to tell those of our people who have not as yet realized it that, getting out of our current abyss will take much longer than we previously imagined. This will particularly be the case if we insist on facing the situation with the same attitude that made us fall over the cliff. In this circumstance, all of us, as a people, will have to pay for our astonishing negligence, our tacit consent for the government officials' lack of ability to handle economic matters, our lack of courage and determination to enforce our rights, and, finally, our indifference to the outrages of those who have governed us.

Guatemala's economic situation is such that our only hope lies in adopting radical measures to implement public morals and administrative authority so confidence in the country can be generated and the government can recover -- at least partly -- its lost credibility. So far, the state's financial technicians have proposed three actions to get the country out of the situation. First, more taxes; second, more exports, and third, contracting loans abroad. In addition, they recommend seeking a balanced budget. We at this radio station firmly believe that these actions not only cannot get us out of the crisis, but that we will continue sinking in the quicksand of an economic situation, out of control. To talk on these vital aspects of national importance, we have invited Armando Gonzalez Ponce, new finance minister, for a dialogue with this radio station. Mr. Gonzalez welcome to a dialogue with this radio station.

[Announcer] What is the government deficit really?

[Gonzalez] [Words indistinct] many thanks for the invitation. The deficit... [rephrases] Perhaps I should first explain what we are talking about because there are some problems related to the concepts to be discussed. If we are talking about the fiscal deficit for 1985 that was mentioned during the first part of the dialogue, let's remember that, in the first place, the budget deficit for a fiscal year is represented by too few revenues as compared to the total expenditures during this same period. During the first part of the dialogue, we mentioned a 352-million [currency not specified] deficit for 1985. Perhaps, it would be good to explain the following aspect. This is a [words indistinct]. That is to say, the approved budget revenues and expenses have been modified and revised. We think that if no measures are taken, this will be the official deficit, which is simply the difference between the current revenues -- excluding loans -- and total expenditures.

[Announcer] The previously approved budget was for 343 million.

[Gonzalez] That is right.

[Announcer] Now, this means that the figure gets bigger instead of smaller, thus making our economic situation even more difficult.

[Gonzalez] What happens is this: Based on the approved budget and the execution of specific projects in the past, we reached this figure [words indistinct] without any additional measures as related to the application of the budget.

[Announcer] You have spoken about projects. Considering the figures that you mentioned on Thursday -- with a determination that we priase and admire -- our investment figure, for example, is the same as that for 1977; we mean, it is very similar. We now have 276 million as compared to the 226 million in 1977. Nevertheless, the total government operational expenditures have (?tripled). What projects do you mean considering that we now have a very limited margin as compared to that of 1977?

[Gonzalez] [Words indistinct] In the approved budget, there are about 333 million for investment. Considering the normal rates of the execution of investment plans, it appears that we will end up with a 277 million investment figure. This would be approximately similar to that 1977. This is what we could expect due to a deficiency in the execution of projects by the public administration.

[Announcer] Believing that we should teach through example, I asked at the Presidential Palace on Thursday why can't the nation's budget expenses be drastically reduced, to achieve a perfect balance between revenues and expenditures. Why can't this be?

[Gonzalez] The reduction process would be somewhat facilitated if an effort was made to reduce economic investments. Under the circumstances, I don't think the government should initiate new projects. We don't know whether they will be top priority for a new government to be elected. I think that we should limit ourselves to completing what we have initiated and devote ourselves to solving serious problems [word indistinct].

[Announcer] How much could this reduction amount to?

[Gonzalez] We have been working intensely. As you will surely understand, the list of projects is a long one. We have to analyze them one by one and consider [words indistinct]. We have been making our best efforts to reduce investments as much as possible. We are making special efforts not to jeopardize the future with projects that could not be executed properly. In addition, we don't know the priority that the new government will accord this type of investments.

[Announcer] Would you rate the Guatemalan situation as normal, bad, very bad, or serious?

[Gonzalez] I would describe the situation as between bad and very bad. Guatemala is a country with a certain [word indistinct] degree of sacrifice demanded from the people during economic no-growth periods or stagnation. As far as I can remember, I mentioned that there is a problem of values in addition to financial figures. I still believe this to be true. I think that if the country is courageous, the nation can get out of this situation as soon as possible.

[Announcer] It is really funny that the people, who had nothing to do with the crisis, are the first to be asked to pay more taxes. I think this is openly immoral because people's money -- as you courageously mentioned on Thursday -- has not been handled honestly and has been spent on projects of little importance that ensured votes and hefty commissions for those who carried them out. Sometimes money was spent on projects that, although they were important, were never completed, such as [word indistinct]. Do you think that it is morally acceptable to impose new taxes? I am under the impression that, somehow, you -- this time I have to include you -- still toy with the idea of castigating a people [words indistinct] with taxes.

[Gonzalez] A reduction of the deficit is our concern at the moment. It obvious that we will have to settle for either a reduction in expenditures or the establishment of new taxes. [Words indistinct] We hope a reduction of expenditures would be sufficient.

[Announcer] It is sufficient. In addition, there is something else I wonder about. Is it possible to sell state enterprises and negotiate these enterprises' administration with foreign enterprises? It has been said, and you know this very well, that all this has been handled in the utmost secrecy. It has been reported, however, that you have an interest in [words indistinct]. This would be stupendous because not only would they bring dollars and thus help us deal with our serious situation, but the workers' general situation would be improved.

[Gonzalez] We agree on this. All enterprises, particularly commercial business, should have been sold off. The government is willing to sell them and control them partially through a series of actions against them [words indistinct]. Various enterprises organized by Cofina [expansion unknown] have initiated operations but recently [words indistinct].

HONDURAS

PAZ BARNICA DISCUSSES GOALS OF U.S. VISIT

PA011655 Tegucigalpa Voz de Honduras in Spanish 1345 GMT 29 Apr 85

[Interview with Foreign Secretary Edgardo Paz Barnica at Toncontin International Airport in Tegucigalpa by correspondent Roy Arthur and an unidentified reporter -- live]

[Text] [Reporter] Could you give us some details on this important delegation, which we understand you head as foreign secretary?

[Pax Barnica] Certainly. We are leaving in a few minutes for Washington as members of a Honduran Government delegation to continue the bilateral talks geared toward comprehensive negotiations regarding economic cooperation and security. This is very important for Honduras because it entails the development of the proposal that President Suazo's government made to the U.S. Government last year, with full backing from the Armed Forces, calling for an evaluation, review, and adjustment of the military agreements and an increase in economic cooperation. Security and economic aspects are interdependent at a time of crisis such as the one Central America is currently experiencing, and they affect the strengthening of the political aspect, that is, democratic institutions.

Unfortunately, Presidency Secretary Ubodora Arriaga will not be able to participate this time. He will stay in Tegucigalpa with President Suazo and help draw up initiatives to solve our country's internal crisis, which has been described as institutional. President Suazo is committed to consolidating the democratic government and promoting free elections in November so as to turn over the power that the people entrusted to him [words indistinct] true leader and not the product of political opportunism or circumstances related to conventions, to which other members of the Liberal Party, who have no idea of what political doctrine means, have desperately clung. I can now see how some prominent Honduran Liberals, based on disastrous opportunism, are praising attitudes that they strongly criticized others for holding in the past.

However, what is important is the trip to Washington, which we were discussing. Tomorrow we will meet with U.S. Secretary of State George Shultz and discuss with him the political situation in Central America and in Honduras, the Contadora Group's peace efforts, and most importantly, the objectives of the meeting, that is, bilateral negotiations between Honduras and the United States. The members of the subcommissions are also traveling for this purpose. These subcommissons include the military or security subcommission headed by Colonel Francisco Zepeda Andino, Air Force commander, and the economic affairs subcommisson headed by Finance Secretary Manuel Fontecha.

The members of these subcommissions will be leaving tomorrow for Washington along with advisers of the Foreign Secretariat, doctors [5-second break in transmission] [words indistinct] (?ballet) also traveling on a special mission to Washington.

[Reporter] Several days ago the U.S. Congress denied President Reagan's request to grant $14 million in aid for weapons to the Nicaraguan opposition. What impact will this have on our country?

[Paz Barnica] One has to look into the refusal by the U.S. Congress. The House of Representatives voted in this way, but the Senate did approve the aid. Although this is a U.S. domestic matter related to a bilateral matter with Nicaragua, one must analyze what you have said -- the repercussions on Honduras and Central America.

Regarding Honduras, I feel that if this aid materializes it is because the government of such a democratic country as the United States has the means and formulas that allow it to make the same proposal in the near or immediate future. That is how I understand it. Let us examine the possible repercussions should the aid not be approved after all. Honduras would have to make plans in the event that thousands of Nicaraguans enter its territory and Costa Rica, which are the neighboring countries. Naturally this situation would heighten economic, political, and social problems. As for the Central American region, within the framework of the negotiations taking place with regard to peace efforts in the area, repercussions would also be felt throughout the region. Regarding Nicaragua, if there is no pressure from the domestic political and armed sectors, that country would harden its stance in the Contadora Group. The Nicaraguan Government has proved that it is aware of existing internal pressures; there is a struggle among Nicaraguans within the country. That country feels that the fighting is dwindling, and therefore the government is hardening its stance within the Contadora Group. The effect has been immediate. We must consider this matter.

On another matter, Nicaragua is more interested in resuming the Manzanillo talks than in the Contadora Group. Let us not deceive ourselves. Nicaragua's internal situation will continue as is -- in my opinion and with all due respect for the opinion of others -- as long as there is no true democratization process.

[Reporter] When did you last contact Nicaraguan Foreign Minister Miguel D'Escoto?

[Paz Barnica] My last direct personal contact with him took place in South America at the inauguration of President Julio Maria Sanguinetti in Uruguay. Later we met during the inauguration of Brazil's president. Subsequently we have frequently exchanged notes through diplomatic channels; the most recent exchange took place in connection with the arrest and seizure by Honduras, in Honduran territory, of soldiers and materiel, including vehicles, of the Nicaraguan Army. We returned them yesterday, as a gesture of Honduras' understanding, since the soldiers carrying weapons were seized inside Honduran territory. Afterward, we were also in touch with Nicaragua regarding some violations of the maritime laws. The Honduran Air Force was forced to come to the rescue of some fishing boats being harassed by Nicaraguan armed patrols, armed patrol boats rather, at the Atlantic Ocean's 15th parallel, within Honduras' territorial waters.

[Reporter] Dr Paz Barnica, there are constant and flagrant violations of our sovereignty in San Marcos de Colon municipality in Choluteca Department, which borders with Nicaragua's Madriz Department. Residents from the city of San Marcos de Colon have informed this station's news department about the situation. Are you aware of this?

[Paz Barnica] We are aware of this situation and constantly, or almost on a daily basis, raise our protests before the Nicaraguan Government through diplomatic channels, which as you know is the correct procedure. Therefore, I consider that the tense situation between the two countries is easing and that there is a climate of what we might call pre-detente [pre-distension] that would, of course, favor negotiations toward peace within the framework of the Contadora Group.

Regarding El Salvador, a new round of negotiations between the two countries will begin today, as part of the framework of direct negotiations outlined in the general peace pact. Although the deadline for direct negotiations expires in December, I am confident that the Duarte government, especially after achieving a resounding victory in the Assembly elections, will adopt a more flexible stance in order to reach a solution through direct negotiations.

[Reporter] And if this does not happen?

[Paz Barnica] There is an alternative, which is the International Court of Justice.

[Reporter] Since you have not achieved your objectives after almost 5 years, what makes you feel optimistic that these objectives will be achieved in 5 months, or from now to November?

[Paz Barnica] Because direct negotiations on demarcation take place at the negotiating table, not in the fields. The guerrillas are not involved, and this business of the guerrillas is a lie. This matter has nothing to do with the actual placement of border markers, but instead is related to discussing the definition of the boundaries. Each country has already drawn up its (?plans). The demarcation can take place in the last months if there is goodwill. There must be a political commitment to do so, which Honduras has.

[Reporter] Dr Paz Barnica [passage indistinct].

[Paz Barnica] My cordial and respectful greetings to the Honduran people, [words indistinct] as foreign relations secretary, that is, in fulfillment of my duties [word indistinct] circumstantially.

I want to express my determination to contribute to the strengthening of democracy and the constitutional government through a foreign policy leading toward peace, security, democracy, and international cooperation to achieve economic and social development. These are the postulates guiding the actions of the Roberto Suazo Cordova government. This is a top-ranking delegation comprising ministers and other officials from the Suazo Cordova administration, as well as prominent members of the Honduran Armed Forces, such as Colonel Efrain Gonzalez Munoz, joint chief of staff, and other Armed Forces members. This proves that the Honduran people have the full support of the constitutional government and the Honduran Armed Forces in defending the country's interests.

[Reporter] This is the last question. Dr Paz Barnica, I do not want to take up more of your time. Here is correspondent Roy Arthur.

[Arthur] Yes, I have an important question. There is still no official report on yesterday's, I mean the day before yesterday's return of those tanks. Could you inform us or do you have something to add on the number of weapons and soldiers captured and returned to Nicaragua?

[Paz Barnica] About 15 soldiers from the Sandinist People's Army, including 1 or 2 officers, plus 7 Soviet-made military vehicles, strayed several kilometers into our territory and were arrested. Nicaragua acknowledged this and made apologies. We accepted their apologies but remarked that one of our civilian helicopters, not a military helicopter, with civilian professionals and members of the Honduran Armed Forces on board, strayed a little from its course over the Pacific Ocean and was not given the usual order to land, but instead the persons on board were brutally murdered. The return of the Nicaraguan soldiers took place on Saturday after negotiations were concluded to obtain the release of Hondurans who were in Nicaragua and some Honduran fishing boats. This took place at noon and was attended by Colonel Manual Suares Benavides, and Colonel (Rafael Castovit), a southern zone military chief, on behalf of the Honduran Armed Forces; and by Julio Garcia, the Foreign Secretariat's legal adviser, and Ruben Barahona, who works in the Foreign Secretariat Protocol Division, on behalf of the Foreign Secretariat.

[Arthur] Dr Paz Barnica, history shows us that there was a prewar atmosphere in 1969 as a result of our problem with El Salvador. We are dealing with a similar situation now with the Sandinist violation of our country. Although circumstances are different, is the atmosphere surrounding this incident similar?

[Paz Barnica] No, quite the contrary. I believe that there is no current prewar atmosphere among Central American countries. No, no, no, no. The 1969 issue was very different, it was based on historical roots in El Salvador. Fortunately, after many years of struggle, we negotiated a general peace treaty through the [word indistinct] law. We hope that law will lead to a definitive solution to the problem. Otherwise, a serious problem will persist between the two countries.

Honduras has shown goodwill and political willingness to solve the problem; we are confident that the government of President Duarte, who in our judgment is a democratic ruler, will help achieve a joint solution without harming the dignity, sovereignty, and territorial integrity of the countries seeking a solution to this border conflict.

[Arthur] Dr Paz Barnica, thank you very much for your kindness: We thank you very much. Listeners of Voz de Honduras, you just heard the Honduran foreign secretary providing details on a high-level commission traveling to Washington to carry out negotiations.

LABOR DAY MARCHERS DENOUNCE U.S., SUAZO

FL020130 Mexico City NOTIMEX in Spanish 2120 GMT 1 May 85

[Text] Mexico City, 1 May (NOTIMEX) -- Slogans against the presence of U.S. troops and against President Roberto Suazo Cordova characterized workers marches here today.

On International Workers Day, about 18,000 Hondurans participated in two different demonstrations, one organized by the Unitary Workers Federation (FUTH) and the other by the Confederation of Honduran Workers (CTH) and the General Workers Central (CGT). The workers marched in the major streets of the city carrying signs condemning the president and foreign minister as puppets of the U.S. Government. They also demanded that U.S. troops in the country leave immediately and that the 7,000 former Somozists of the anti-Sandinist Nicaraguan Defense Force (FDN), whom they say are in the country, be expelled.

Jesus Antonio Chavez, leader of the Coordinating Bloc of Organizations (Blocoopa), said: Under the pretext that we are threatened by foreign forces, we have become a country occupied by U.S. soldiers and former Somozists, appearing to the international community as a huge aircraft carrier ready to attack our brothers.

According to the trade union leader, President Suzao Cordova is responsible for surrendering this country and violating its sovereignty. Meanwhile, Reynaldo Erazo of the Honduran Professional School said there was 84 percent illiteracy in the rural areas and 500,000 children suffered from malnutrition. He said Suazo is neglecting the needs of Honduran society and is more concerned with falsely presenting himself as an individual deeply concerned with regional peace.

CORRECTION TO SUAZO LETTER TO WORKERS ON 'CRISIS'

The following correction pertains to the item headlined "Suazo Letter to Workers on 'Institutional Crisis,'" published in the 1 May Latin America DAILY REPORT, page P 12, sixth paragraph, last line:

...process this year.

Your seventh recommendation is not only opportune but unpostponable. As you state, "a development program must be drawn up with the active participation of the worker and peasant organizations and the other social organizations, and its implementation must be continued by any government that leads the country's destiny." As I have said before, that development program is essential for the present and future of Honduras. The representatives of the country's social and economic sectors must be dynamic participants in drawing up that program. We have advanced in this field. However, in order to obtain achievements as soon as possible, I have issued instructions for the Higher Council of Economic Planning to immediately convene so that it can concretize the program based on the initiatives that we have already adopted on this subject throughout my government. This should not impair the periodic meetings that I, as president of the Republic, will continue to hold with authorized representatives of the worker and peasant class and other productive sectors so that they can help strengthen these actions for the national benefit in coordination with the government.

In addition, I am quite willing to contribute to the establishment, if circumstances so deem, of an operative and consultative body that will speed up the achievement of those objectives with the active and positive participation of the various sectors of Honduran society.

The eighth recommendation states that "on Wednesday, 10 April, the worker and peasant organizations presented to the sovereign National Congress a document containing a series of considerations and recommendations for strengthening the country's democratization process but to date the deputies have not given it the necessary importance; therefore, we suggest that it be submitted for discussion and possible approval for the benefit of the Honduran people in general. I learned about the important document that you presented to the National Congress through the news media. It contains aspects that are of the utmost importance for the country's life as seen by the points to which I am referring in this letter. Regarding what you, with full reason, state in your eighth recommendation, I deeply regret that the legislative branch, as you well point out, has not given due attention to the document that was presented on 10 April by the worker and peasant organizations, and I regret that the honorable deputies have not given it the necessary diligence and interest that these aspects demand above any other subordinate issue.

In your ninth... [supplying additional paragraphs)

NICARAGUA

OFFICIALS COMMENT ON U.S. ECONOMIC SANCTIONS

Ortega Scores Embargo

PA011931 Managua Radio Sandino in Spanish 1833 GMT 1 May 85

[Text] Belgrade -- Today Nicaraguan President Daniel Ortega condemned here the aggressive and interventionist U.S. policy toward his country. At the same time, he outlined the difficult situation faced by Nicaragua as a consequence of the Reagan administration's military and economic aggression. Ortega stressed this shortly after the trade embargo imposed on Nicaragua by the U.S. Government was officially announced. The Nicaraguan president, who is in the Yugoslav capital on an official visit, noted that the UN Charter, international laws, the declarations of the nonaligned countries, as well as legal, moral, and political principles are worth pointing out to the Reagan administration in the case of Nicaragua.

Regarding bilateral relations, the Nicaraguan president said that Nicaragua and Yugoslavia share common views on many international issues, particularly the principles of the Nonaligned Movement such as the struggle for peace, security, and world cooperation. Finally, Ortega said that the FSLN and the Nicaraguan Government highly appreciate the assistance that Nicaragua has been receiving from friendly countries, which include Yugoslavia and progressive world forces.

Warns Of Military Action

AU021034 Paris AFP in English 1011 GMT 2 May 85

[Text] Belgrade, May 2 (AFP) -- Nicaraguan President Daniel Ortega warned here today that the total U.S. trade embargo against his Sandinist regime, announced yesterday, will "most probably" be accompanied by military action. He also acknowledged it would make the situation in hard-pressed Nicaragua "serious." But he urged U.S. President Ronald Reagan to forsake an "aggressive and adventurist" policy, and resume dialogue. Mr Ortega, who arrived from Moscow on Tuesday, was speaking at a news conference at the end of an official visit to Yugoslavia. He recalled that Nicaragua had so far sent some 100 Cuban advisers back home, as a goodwill gesture to other Central American governments. The intention was to persuade them to accept peace proposals from the Latin American "Contadora" Group and free their region from all foreign presence. (Mr Ortega later arrived in Sofia, where he is to meet Bulgarian leader Todor Zhivkov during a 24-hour trip.)

Vice President's Statement

PA020305 Managua International Service in Spanish 0215 GMT 2 May 85

[Statement by Vice President Sergio Ramirez Mercado to national and foreign correspondents at the Foreign Ministry in Managua, on 1 May -- recorded; broadcast in progress]

[Text] ...Of the U.S. Congress, at the diplomatic and international level to try to make the revolution and the Nicaraguan people yield and adjust to his whims, he has decided to adopt these reprisal measures, which makes it clear that the Reagan administration has found itself impotent in its plans to militarily destroy the revolution's advance.

Since we have been able to inflict important defeats on the counterrevolutionary forces that the Reagan administration directs, trains, organizes, and pays for, these announcements about reprisals are the administration's response to its feelings of impotence for not being able to destroy the revolution.

[Words indistinct] Now more than ever we are in a position to definitely defeat the mercenary forces that are being directed and paid for by the Reagan administration. In the second place we have to say that these economic reprisals will gravely affect the country's economy, the economy as a whole, not the Sandinist Front as a party [words indistinct] a government that was legally elected on 4 November and that is headed by President Daniel Ortega.

Considering the nature of the Nicaraguan economy, which functions as a mixed economy, and considering to be specific, the export products of Nicaragua that the Reagan administration has decided to close the U.S. market to, it must be said that it is the private producers who produce beef in Nicaragua. Private producers produce 75 percent of the beef in Nicaragua. This includes big, medium, and small producers. They are directly affected by this irrational reprisal. In an effort to politically hurt the Sandinist Government, the administration is hurting the entire economy and the mixed economy system of Nicaragua.

The bananas that we have been exporting to the United States are produced by the private producers of Nicaragua. The owners of the banana plantations in Chinandega are Nicaraguan businessmen and not necessarily Sandinist businessmen. There is something more serious: The embargo on capital assets, raw materials, elements necessary for production, and spare parts from the United States affects state enterprises, but affects private industrial, agricultural, and livestock enterprises more.

The Nicaraguan industrial plants are U.S. made. They were set up, mostly, prior to the victory of the revolution. These industrial plants depend on U.S.-made spare parts. Therefore, this measure will have a direct impact on the general economy of the country.

In the third place I want to point out the absolutely illegal and arbitrary character of these measures. This shows how the will of the Reagan administration is still being imposed on any rational, legal, or institutional framework of the United States and of the international legal and economic community. The first law that these reprisals violate is that this measure has been taken against the letter and spirit of a friendship and trade treaty, which the U.S. Government has denounced.

These are measures the United States could have taken partially but only as a consequence of having denounced this commercial treaty. But to have such a denunciation take effect, it is necessary, according to the terms of the treaty, to wait 1 year. This shows that the measures are illegal.

This measure has been taken against the decisions of The Hague International Court of Justice, which ordered a suspension of all forms of aggression, whether physical, (?material), political, economic, or military, by the U.S. Government against Nicaragua. This also violates the UN Charter. It violates the OAS Charter. It violates the international trade agreements that both Nicaragua and the United States have signed. Therefore, these reprisals are very arrogantly defying both the U.S. and international law.

We also wanted to state that this represents a low blow to the peace efforts being exerted by the Contadora Group.

Colombian Foreign Minister Augusto Ramirez ampo rightfully said today that these measures are a conspiracy to undermine the Contadora Group's peace efforts. This is extremely grave because the U.S. Government has ascertained that the last Contadora Group technical meeting in Panama City exerted efforts to advance -- and this was advocated by the Contadora Group and supported by the Nicaraguan Government -- toward improvement of supervision and control mechanisms that are stated in the document. This represented a step forward, toward the possibility of actually signing the document.

In addition, we want to state that, since this deeply affects the Nicaraguan economy -- which was already being affected by all the aggressions of the Reagan administration -- the Nicaraguan Government has begun studying a series of measures that will help us counter this new phase of economic emergency, because the country must counter it. These measures as a whole, and with the FSLN National Directorate's support, must be adopted with the direct participation of the people, with the participation of all the productive sectors in the country, the professional sectors, the technical sectors -- in sum, with the support, contributions, and help of the entire Nicaraguan society as a whole, because the whole Nicaraguan society is a victim of this treacherous attack against our country's social and economic life.

Though it is true that these measures will deeply affect the country's economy, which was already suffering grave problems due to U.S. aggression, as we have reiterated, no commercial embargo -- no matter how big, and everything seems to indicate that the magnitude of this arbitrarily decreed embargo by the Reagan administration will be augmented by additional measures -- will endanger in any way the social, political, and economic project that is the revolution.

In addition, we will carefully study what measures we will need to adopt to reorganize our economy at a national level and counter this new increased aggression. We are also prepared to seek out all countries of the international community to demand more support and aid to counter this increased aggression by the Reagan administration. In other words, we do not feel alone in the world. This is a unilateral attitude by the Reagan administration in the war... [rephrases] as part of the war which the Reagan administration has unilaterally declared on the Nicaraguan people. However, we trust that all the countries that love peace, independence, and self-determination and which have expressed positive interest in a peaceful solution of the Central American conflicts and preventing this type of aggressive situation will respond by giving their political and economic support to Nicaragua. We are sure about that.

Says Country Will Survive

FL011942 Mexico City NOTIMEX in Spanish 1900 GMT 1 May 85

[By correspondent Jesus Guevara]

[Excerpt] Managua, 1 May (NOTIMEX) -- Nicaragua will not perish because of the trade embargo imposed by U.S. President Ronald Reagan, Nicaraguan Vice President Sergio Ramirez said here today. In comments made to NOTIMEX, Ramirez said the measure will create additional difficulties because the United States has been Nicaragua's traditional market, although, since the Saninist revolution in 1979, the country has tried to diversify its trade relations. Presently, Nicaragua sells to the United States between 15 and 16 percent of its export goods. Products included in the embargo are soap, oil, foodstuffs, energy, and land and air transportation. [as received]

The FSLN said that even though it is true that the country's economic and material conditions are extremely difficult, even dramatic, the solution would not be to return to the past because of the imperialist aggression.

FSLN Leader Comments

FL011901 Mexico City NOTIMEX in Spanish 1631 GMT 1 May 85

[By correspondent Jesus Guevara]

[Text] Managua, 1 May (NOTIMEX) -- The FSLN national leadership has said that by imposing the economic blockade, the U.S. Administration would like to see us surrender and on our knees because of economic difficulties, but they will not attain it.

In a message to the Nicaraguan people on the occasion of the International Labor Day, Ballardo Arce, FSLN political leadership coordinator, said sooner or later the Reagan administration will have to understand that this revolution is of all Nicaraguans and will continue until the end.

He acknowledged that it is difficult to solve Nicaragua's domestic problems in the midst of an unequal and unfair war mixed with an international crisis. He added that although the struggle in the military front has been successful, Nicaragua faces the greatest economic problems in 1985.

He pointed out that problems could worsen in his country because of the economic blockade planned against Nicaragua through the break of trade relations, which would mean closure of its markets for meat, seafood, livestock, tobacco, and sugar, and other Nicaraguan export goods.

Also, Nicaragua will not be permitted to buy any U.S. products, raw materials, or spare parts.

Ballardo Arce urged the Nicaraguan workers to reflect on the challenge currently facing the Nicaraguan revolution and he proposed 12 steps for the Nicaraguan people to take to overcome the crisis they are facing. Among those steps are for the people to guarantee the defense of the revolution, to support the call to serve in the military, to join the Sandinist People's Militias, and to mobilize the energy of all state producers and small, medium-sized, and large cooperatives in the production of food and export goods.

He also urged greater efforts to compensate for the absence of those who are on active military duty on the front and to promote the training of women and their incorporation into productive jobs so they can replace men who go to fight; and efforts to better organize revolutionary vigilance and civil defense to prevent and neutralize sabotage attempts by the CIA, contras, and other groups.

Dora Maria Tellez Comments

PA011226 Managua Radio Sandino in Spanish 1212 GMT 1 May 85

[Text] President Reagan is engaged in war against Nicaragua and the Nicaraguan people, not only the Sandinists, and he is showing his desire for war, Commander Dora Maria Tellez said yesterday, as the U.S. trade embargo against our country began. Commander Tellez said that the economic measures against Nicaragua prove that the U.S. President is waging war on the Nicaraguans in the form of a counterrevolution. She said that the FLSN National Directorate will review the situation in order to resolve it and reaffirmed the people's willingness to continue fighting until the military, political, and economic aggression is defeated.

ORTEGA GRATEFUL FOR USSR'S AID, SUPPORT

FL011716 Mexico City NOTIMEX in Spanish 1622 GMT 1 May 85

[Text] Moscow, 1 May (NOTIMEX) -- Nicaraguan President Daniel Ortega said here that if Nicaragua is able successfully to resist increasingly naked imperialist aggression, it will be largely due to the support it is receiving from the USSR.

At the international airport of Moscow, minutes prior to departing for Yugoslavia, Ortega said: We are satisfied with our conversations with the leaders of the CPSU and consider our meeting was very positive. Nevertheless, the Nicaraguan chief executive refused to say whether the USSR had granted military aid and arms to Nicaragua, saying only that the USSR has provided cooperation to maintain life while the United States sends us death.

Ortega said he was happy with his trip to this capital, where he obtained economic aid equivalent to $200 million, and great moral support for the Sandinist revolution. He said relations between Nicaragua and the USSR are an example of what relations should be: Friendly relations based on equality, reciprocal respect, and noninterference in internal matters. He said he and the Soviet leader agreed completely that Central American problems can be resolved through negotiations that take into consideration the legitimate interests of all the countries and respect their sovereignty.

In contrast with the United States, which tries to use its diplomatic relations with Nicaragua exclusively to destroy the revolutionary process and sow death in Nicarauga, the USSR respects our attempt to overcome injustice and misery and has given us important solidarity aid, Ortega said. He said his government has always been willing to negotiate with the U.S. Administration, and exhorted the White House to agree to renew the Manzanillo talks, where he hopes proposed agreements and compromises considered necessary to the normalization of bilateral relations will be presented. If Washington insists in its present position, we are willing to die fighting, Ortega underscored dramatically.

The Nicaraguan president and his small entourage left yesterday for Belgrade and will also visit Bulgaria, the GDR, Czechoslovakia, Hungary, Poland, Romania, and Cuba in an attempt to obtain economic aid and political and diplomatic support.

ORTEGA, SFRY'S DJURANOVIC SPEAK AT DINNER

PA011511 Managua Radio Sandino Network in Spanish 1241 GMT 1 May 85

[Text] We have a PRELA dispatch datelined in Belgrade: Yugoslav President Veselin Djuranovic has reiterated his country's full support for the Nicaraguan people's legitimate right to their independence, territorial integrity, and sovereignty. In a speech given at a dinner to honor Nicaraguan President Daniel Ortega, who arrived in Yugoslvaia on an offical visit yesterday. Djuranovic also expressed Yugoslav support for Nicaragua's inalienable right to freely choose its development path. He added that Yugoslavia is willing to continue supporting Nicaragua's development programs based on the expansion of their bilateral cooperation. Djuranovic said that an increase in cooperation between two nonaligned countries also strengthens the position of that movement and its influence in the search for solutions to the most important current problems. The Yugoslav president added that his country favors a solution to the Central American crisis through negotiations, a principle which, he stressed, is contained in the Contadora Document.

Ortega explained aspects of the difficult situation Nicaragua is experiencing as a result of the military and economic aggression of the administration of U.S. President Ronald Reagan. To the Reagan administration, the UN Charter, international law, the Nonaligned Movement's declaration, and moral, legal and political principles have absolutely no value in regard to Nicaragua, Ortega charged. The Nicaraguan president also referred to the common views between Yugoslavia and Nicaragua on many international problems, especially regarding their ties to the Nonaligned Movement and the struggle for world peace, security, and cooperation.

Ortega also highlighted the fact that the FSLN National Directorate and the Nicaraguan Government highly value the help being received from friendly countries, including Yugoslavia, and from progressive world forces. Ortega and his entourage arrived in Belgrade on a 3-day visit yesterday and began talks on the first day after placing a wreath on Josip Broz Tito's grave and planting a tree at Belgrade's Friendship Plaza. Ortega left for Novi Sad, the capital of the Yugoslav Autonomous Province of Vojvodina, where he will visit the ancient Petrovaradin fortress and will meet with Ali Sukrija, president of the Presidium of the League of Communists of Yugoslavia, to conclude official talks tonight.

ENVOY TO SPAIN ON REAGAN-GONZALEZ MEETING

PA301951 Madrid EFE in Spanish 1359 GMT 30 Apr 85

[Text] Santander (Spain), 30 Apr (EFE) -- Nicaragua's situation will probably be among the issues discussed by Felipe Gonzalez and Ronald Reagan, said Alvaro Castillo, first secretary at the Nicaraguan Embassy in Madrid. At a press conference in Santander (northern Spain), Castillo said that due to Gonzalez' great interest in Central American problems, it is very likely that he will discuss this issue with Reagan, who is scheduled to visit Madrid in the near future.

Regarding the recent meeting between Nicaraguan President Daniel Ortega and Soviet leader Mikhail Gorbachev, Castillo said that it was a routine meeting within the framework of Nicaragua's right to relations with countries of its choice. Castillo added that his country cannot survive with the present economic crisis, difficulties, and lack of basic products, and that it has a right to seek aid to solve these problems.

According to the Nicaraguan diplomat, the United States intends to slowly drown the Sandinist revolution and therefore, Nicaragua must seek the support of friendly countries from the USSR to Western Europe. The first secretary at the Nicaraguan Embassy stressed that there is only one way left for Washington to destroy the Sandinists and that is through a direct, armed invasion. Castillo accused the United States of economically blocking Nicaragua and cited as an example of the U.S. attitude the pressures it exerted in order to prevent Managua from receiving IDB approved credit totaling $58 million. A peaceful solution to the Central American conflict, Castillo added, requires the resumption of the peace talks between the United States and Nicaragua which depends on the U.S. Government.

Castillo expressed satisfaction over the U.S. Congress decision to reject economic aid for the counterrevolutionaries, although he pointed out that it is immoral for the Congress to discuss support for groups attacking a soveriegn and independent country such as Nicaragua. The rejection, Castillo added, reflects the American people's opposition to financing an undeclared war.

Regarding relations between the Sandinist government and the unarmed opposition, Castillo said that Managua is trying to maintain a permanent dialogue with the right-wing parties as part of the country's political pluralism, and to hold dialogue with the Catholic Church within the framework of religious freedom.

Castillo is in Santander, at the invitation of the Labor Commission, a Spanish communist labor union, to participate in an act of solidarity with Nicaragua in commemoration of 1 May.

SUIT AT INTERNATIONAL COURT AGAINST U.S. TO BEGIN

PA301327 Madrid EFE in Spanish 1218 GMT 30 Apr 85

[Text] The Hague, 30 Apr (EFE) -- Today, Nicaragua began the procedure regarding the dispute that confronts it with the United States at the Hague International Court. The Nicaraguan Government honored the waiting period, which expired today, to address a report to the court in which it justifies the charge presented on 9 April 1984 against the Reagan administration for actions against the Sandinist regime. On 26 November, the International Court, the highest judicial organization at the United Nations, declared itself competent to hear the case despite a U.S. refusal to recognize the court in this dispute. The United States can present its reply to the Nicaraguan report prior to 31 May, a court spokesman said, although it is almost certain that in view of its decision not to appear before this court, the Reagan administration will not carry out this step. The procedures on the substance of this matter can continue even if one of the parties is absent, the spokesman added, as has occurred in other cases including the case between the United States and Iran in which the latter did not appear before the court.

REPRESENTATIVES TO CHAIR AREA AIR FORCES GROUP

PA262359 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 25 Apr 85

[Text] Commander Emmet Lang and Captain Ramon Vega, the commander and deputy commander of the Sandinist Air Force, respectively, arrived a few moments ago in Nicaragua. They had participated in a conference of Air Force commanders in Peru. During that conference the participants elected Nicaragua to the presidency of the Training Committee.

[Begin recording] [Unindentified speaker] This is a success for our country that comes in recognition of our interest and participation; we have been involved for 3 years now. I would say that we are taking over the leadership of one of the most important committee in the system. There are several committees, such as the Communications Committee, the Mutual Aid Committee, which is called on during natural disasters, and the training Committee, which we will now preside over. The commander of Latin American Air Forces just ratified Nicaragua as the site of [the next meeting] scheduled for 14-16 July.

[Reporter] Who would participate in the upcoming meeting? What would be the main topic of discussion?

[Speaker] As I said, the main topic will be the system used to train pilots on the American continent, but most important will be a decision on the location of a school of the Americas for pilots in Latin America. That issue will be decided on in Nicaragua. The system, types of training, techniques, and the exchange of experiences among participants are some of the aspects to be considered. All countries of America are expected to send representatives to Nicaragua. [end recording]

PSC'S JARQUIN ON CUBAN ADVISERS, AMNESTY

PA011616 Managua LA PRENSA in Spanish 29 Apr 85 p 5

[Text] Agustin Jarquin, president of the Social Christian Party [PSC], told LA PRENSA that the new Sandinist promises to withdraw 100 Cuban advisers and grant amnesty to more than 100 political prisoners have surrealistic and relative values.

Jarquin indicated that the government's offer to withdraw 100 Cuban advisers does not totally satisfy the demands of the Central American countries or the United States. In order for this offer to be true and definite, those countries must confirm and verify that the advisers will not return under other guises. The Social Christian leader added that this is apparently a new publicity ploy aimed at foreign consumption. Each country could tell its neighbor that the Sandinist government has withdrawn 100 Cuban advisers, but they can use the Sandinist slogan "So what, so what, so what', and ask how this improves the Central American countries' relations with Nicaragua.

The other measure of pardoning approximately 110 political prisoners is nothing more than the continuation of a process that began in October 1984 as part of the agreements reached in the "summit" [of political parties] The justice commission of the State Council and the progovernment human rights commission were in favor of the granting of the amnesty to those 100 cases. This amnesty is necessary and desirable not only for the prisoners' relatives, but for the political situation. However, that amnesty is difinitely nothing new. The apparent goodwill of the FSLN is not enough. The government party has delayed the amnesty's implementation. Therefore, the amnesty is also a measure to export a pacifist image, the Social Christian leader added.

ASSEMBLY APPROVES AMNESTY LAW TO BENEFIT INDIANS

PA301836 Managua Radio Sandino Network in Spanish 1200 GMT 30 Apr 85

[Excerpts] An amnesty law benefiting Miskito, Sumu, Rama, and Creole Indians that was presented to the National Assembly by Commander Daniel Ortega Saavedra, president of the Republic, was approved yesterday by the legislative branch and has been in force since its publication in the country's media. This law benefits more than 100 Miskitos, Sumus, Ramas, and Creoles who have committed crimes against public order and security and other related crimes, and are currently serving jail sentences. The law states that judicial and penitentiary authorities must immediately release all people benefited by this measure as soon as the decree is published. Article 3 states that to ensure that ethnic groups learn of this decree, it must be translated into their native languages.

In reply to a request presented by the Presidency of the Republic, the plenum of the National Assembly yesterday approved the amnesty law for Miskitos, Sumus, Ramas, and Creoles of the Atlantic coast. FLSN delegate Reinaldo Antonio Teffel said that the amnesty law reflects s generous attitude on the part of the revolution. In this way it is complying with agreements between the revolutionary government and the Miskito, Sumu, and Rama Sandinist Unity [Misurasata].

Begin Teffel recording] Article 8-1, which is under discussion, clearly reflects the generous and realistic stand of the Sandinist people's revolution. It does not make any abstract, (?antihistorical), or severe judgments as some [word indistinct] have. It deals with a specific problem with specific geographical limits. Therefore a specific solution has been adopted.

Article 3 states that the Nicaraguan Government is complying with its commitment to reestablish peace and with agreements reached with leaders. Article [number indistinct] states nothing more than that. Our revolution will further broaden [words indistinct] as we continue fostering peace and understanding as we have on the Atlantic coast. Article 1 in no way tries to define or establish racial purity. The reference to origin pertains to a cultural and anthropological situation, a specific situation that we all have learned about during the past 5 and 1/2 years of revolution. Perhaps due to the nature of the issue, to mishandling during the early years after the victory, or to manipulation by the Reagan administration, the counterrevolution, and the right wing, this issue became a problem that our revolutionary government is now trying to solve through talks with Misurasata representatives. [end recording]

MISURASATA LEADER ON TALKS WITH GOVERNMENT

PA010429 Managua Radio Sandino in Spanish 1930 GMT 30 Apr 85

[Text] The Misurasata organization will avoid armed offensive actions in the country's Atlantic region in order to facilitate the supplies of food and medicine that the government is sending to the Indian communities. This was revealed today by Marcos Hoopington, who leads a Misurasata delegation which arrived in Nicaragua to witness the release of two Miskito Indians involved in armed activities. Hoopington asserted that once the prisoners are released, they will start fulfilling the second agreement with the Sandinist government, which was attained in Mexico. The Misurasata leader pointed out that the fulfillment of this second agreement will also help create a favorable climate to continue the talks. A fourth round of talks will be held on 25-26 May in Bogota, Colombia.

DEFENSE MINISTRY REPORTS CONTRA CASUALTIES

FL011922 Mexico City NOTIMEX in Spanish 1845 GMT 1 May 85

[Excerpts] Mexico City, 1 May (NOTIMEX) -- The Nicaraguan Defense Ministry today announced that the Sandinist People's Army inflicted 122 casualities on anti-Sandinist forces in 27 confrontations in the last half of April. Most of the fighting took place in the areas of Wiwili, Murra, Valle de la Cua, northwestern Matiguas, and Wamblan, mainly in northern Nicaragua. The greatest number of contra casualties occurred 22 22 and 23 April in an operation in Wamblan in Jinotega Department. Of the total number of casualties, 311 [figure as received] were killed.

The Defense Ministry indicated that during the last 2 weeks, the anti-Sandinists carried out actions against the civilian population affecting 26 people, including killed, wounded, and kidnapped.

JARQUIN ANAYA DISCUSSES CORRUPTION IN STATE

PA302206 Managua LA PRENSA in Spanish 28 Apr 85 p 1

[Text] Agustin Jarquin Anaya, president of the Social Christian Party, has stated that the confusion of the interests of the ruling party with those of the state is the cause of a situation of corruption and similar to that which occurred during the previous regime. The creation of an "interinstitutional office to fight economic crimes in the society, and especially in the state is commendable," he added. "This initiative," Jarquin Anaya noted, "will probably reduce these social evils, but it is obviously not the best way to eradicate them."

"In the first place," he explained, "these efforts deal with the effects but not the causes. We must identify the causes of these social evils in order to choose and implement the corrective measures that are logically needed." "In addition," the Social Christian leader added, "I believe that the remnants of the Somozist corruption created a system of values that is the cause of this phenomenon afflicting our society." "But," he added, "I disagree with the idea that this phenomenon is not a product or a byproduct of the revolution because, 6 years after the end of the Somoza dictatorship, these vices are becoming notorious again."

"It is the confusion of the interests of the ruling party with those of the fatherland. It is the pre-eminence of the political-party criteria (a mindless adherence to the government party) over the criteria of technical capacity and responsibility to value the behavior of state employees."

"It is the creation," Jarquin Anaya said, "of a group of privileged people in the society and especially in the state who climb to higher positions in the ruling party. "It is the persistence of censorship that indirectly covers up all kinds of errors and vices." "It is the spreading of a fear to voice an opinion freely when these opinions bother, 'revolutionary' leaders in state organizations. This is the case of the evils we are deploring now."

"The logical consequence of all this," he said, "is clearly illustrative: The existence of practices similar to those of the Somozists (causes) generate vices and practices that were typified as Somozist (effects)." "Therefore, I think that the corruption problem is as big and can be as harmful for Nicaragua as the counterrevolutionary activity itself," he noted. "Consequently," he said, "we must urgently go back to the original government problem because only then will we effectively deal with the social evils that are worrying us today."

ARDE'S PASTORA ON AID, 'PRISONERS OF WAR'

PA301537 Paris AFP in Spanish 0347 GMT 30 Apr 85

[Text] Rio San Juan, Nicaragua, 29 Apr (AFP) -- On Nicaraguan territiory, very close to the Costa Rican border, Eden Pastora, the anti-Sandinist military chief, said that the Democratic Revolutionary Alliance (ARDE) rebel organization has not received aid for the past 14 months because "it is the target of a blockade by the CIA." Nevertheless, Pastora said: "We will continue to struggle with the help of friends whose aid has allowed us to survive." He made this statement near this camp along the shores of the San Juan River.

"Commander Cero" asked U.S. citizens "not to send their youths to die in Nicaragua." He said: "We need their aid; there are enough people who have always fought for their freedom." Pastora recalled that Nicaragua was invaded on three occasions and therefore "we know what it is like to fight an invading army."

Pastora made these statements to journalists following the turnover of five "prisoners of war" to Costa Rican authorities on the border area north of Costa Rica. The rebel leader pointed out that the turnover does not constitute a publicity stunt as the detained Nicaraguans claimed, but "our political policy of turning over prisoners of war, not killing them." He also said that to date ARDE has released approximately 540 prisoners.

Pastora claims that unity among the anti-Sandinist forces has not been achieved because of the U.S. State Department and the CIA, and the CIA has actually encouraged the division of ARDE into two factions, one headed by Pastora and the other by Alfonso Robelo. Among the reasons that moved the CIA to sabotage that unity, Pastora suggested, is that it wants to maintain the face of a dirty revolution in Nicaragua and ensure that the Nicaraguan Democratic Force (FDN), "the CIA's card, is the one to achieve power in order to profit from an anti-Marxist spirit in Nicaragua." However, the anti-Sandinist commander said that if the U.S. Government approves economic aid for his rebel organization, he will accept it, "without pressure."

CASTRO ATTENDS HAVANA MAY DAY CELEBRATIONS

Reviews Parade

FL011532 [Editorial Report] Havana Television Service in Spanish at 1230 GMT on 1 May begins live coverage of the May Day festivities at Revolutionary Square, Havana. The opening shot shows Revolutionary Square with the Jose Marti Monument in the distant background. The camera pans the crowd. A television correspondent interviews several unidentified passersby about their impressions of the May Day celebration. At 1242 GMT coverage is suspended with the announcement that normal programming is being renewed for about 20 minutes. Live coverage of the May Day festivities returns at 1255 GMT with an aerial shot of Revolutionary Square. The camera then pans the crowd as the announcer describes the square and surrounding buildings. A large picture of Lazaro Pena decorates the facade of the National Library.

At 1258 GMT, Fidel Castro and entourage enter the square and walk towards a reviewing stand. Castro and entourage stand as the Cuban national anthem is played. At 1301 GMT, the music ends and the parade starts, with Fidel Castro and entourage leading the march. The camera pans from marchers to crowd as music sounds, then fixes on large pictures of Ernesto Guevara and others placed on building walls. Fidel Castro and entourage reach the reviewing stand and take their places. Castro applauds.

At 1308 GMT, staff announcer Manolo Ortega describes the event and introduces main speaker Roberto Veiga, who beings to speak at 1310 GMT.

His speech ends at 1326 GMT, and the parade resumes with a large group of workers marching in loose formation. The camera provides close-ups of Fidel Castro waving to the marchers, then pans the marchers and the crowd. The announcer states that Fidel Castro and Roberto Veiga are presiding over the march. Raul Castro is not present.

The marchers carry signs supportive of Fidel, peace, May Day, and the third party congress and condemning imperialist aggression, and the arms race, as while the band plays and the chorus sings.

At 1358, workers from El Cerro and Plaza municipalities begin to pass before the reviewing stand bearing large photos of Fidel Castro and other personages and numerous signs. Fidel Castro often resorts to the use of binoculars to view the huge mass of marchers that surges toward the reviewing stand along the Paseo de Jose Marti.

Staff announcer Manolo Ortega provides a running commentary on the groups that pass before the reviewing stand as the camera pans the marchers and returns again and again to the reviewing stand. Occasional aerial shots show a great mass of marchers waiting to pass before the reviewing stand.

At 1457 GMT, the military contingents begin to parade before the reviewing stand. Groups of military cadets head the military portion of the parade, followed by students from the Army artillery school, students from other military schools, a group from the first all-female antiaircraft artillery unit of the FAR, Marines, and finally a group of Territorial Troops Militia. Fidel Castro applauds each group. The parade ends at 1505 GMT. The camera pans the military marching band, the Cuban flag, the Jose Marti Monument, and the reviewing stand, as the band plays the Cuban anthem.

The camera shows a close-up of Fidel Castro applauding, then it pans the crowd, and the reviewing stand. Fidel waves to the crowd and departs at 1510 GMT. The camera continues to pan the applauding crowd. At 1512 GMT the transmission of the May Day ceremony ends.

Viega Gives Speech

FL011549 Havana Domestic Service in Spanish 1310 GMT 1 May 85

[Speecy by Roberto Viega, secretary general of the Central Organization of Cuban Trades Unions [CTC], at May Day parade held at Havana's Revolutionary Square -- live]

[Text] Comrade Commander in Chief Fidel Castro, party and governnent comrades, distinguished guests, workers: On this May Day an entire country, in command of its present and its future, proud of its revolutionary work, pays energetic tribute to the International Labor Day. This year, the march of the combatant people symbolizes the people's march toward the Communist Party of Cuba's third congress. [applause]

In a few moments, as they pass by this historic Revolutionary Square, our working class, peasants, students, intellectuals, combatants, men and women, the entire working people will show Fidel and his party and government leaders their enthusiasm, awareness, and firm determination in waging the battle for productivity and defense. They will reaffirm their readiness to salute with honor and new victories the greatest meeting of all Cuban Communists. [applause]

Our workers' message is clear and precise. Their banners show their determination to support with all their energy the planned economic strategy for this year, for the next 5 years, and until the year 2000. They come here to let us know the warmth of emulation and impressive strength that our labor movement has in the struggle for making the important agreements of the 15th CTC congress a reality. With the vigor of the workers' word, they will underscore the commitment of making the effort to continue increasing this year the number of profitable enterprises, of model units, and of working teams, and territories, and labor unions declared ready for defense; to continue increasing efficiency and productivity and conserving of fuel, electricity, raw materials, and all types of resources, to encourage higher levels of education, culture, and other aspects which are related to our people's quality of life.

Today, the Cuban working class asserts before the party leadership its decision to play a leading role in the economic battle of all peoples, wnich we are waging by increasing the level of exports, discipline, and workers expectations and improving the quality of production and services, a task of the entire labor movement. A great feeling of happiness, optimism, and clear confidence in the future presides today over our fatherland in this beloved day of the workers.

A deep internationalist spirit of unity and solidarity with our class brothers in the entire world is what we feel during this emotional celebration. With the multiple tasks of building socialism, our thoughts are geared toward the workers and countries which are fighting for their existence, their dignity, their bread, and their right to a better future. As unforgettable Camilo Cienfuegos said: Those who struggle, no matter where, are our brothers. [applause]

On this day there is no distance for our best wishes to the Nicaraguans who are defending the Sandinist fatherland [applause], to the Salvadorans who will make Farabundo Marti's dream a reality, to the Angolans who struggle to maintain their independence [applause], to the South African patriots who defy the assassin bullets of the racist regime, to the combatant people of Lebanon [applause], to the self-sacrificing Western Sahara fighters [applause], to those who struggle against fascist and tyrannies in Chile and other countries [applause], to those who defy imperialism and reactionary forces. We embrace them in our revolutionary arms. [applause]

Especially warm greetings to the Soviet workers and the entire heroic nation [applause] to the workers and people of other brother socialist countries. [applause] They are our closest brothers in building a new life, with whom and together with the rest of progressive mankind, we are ready to commemorate with respect, gratitude, and confidence in the future, the 40th anniversary of the historic and lofty victory over fascism. [applause]

On this May Day we cannot forget for one moment the workers, peasants, and peoples of our America, caught up in the worst economic and social crisis of the past 50 years. From this tribune we Cuban workers reiterate our absolute support for the pronouncements of Comrade Fidel in favor of the cancellation of the foreign debt that is suffocating and annihilating the countries of Latin America and the entire Third World. From this tribune, we launch the initiative of a Latin American and Caribbean trade union conference in which all political, philosophical, and religious groups active in the trade union movement in the region will participate. [applause] We call upon all the trade union forces active in the region, that are willing to unite in a powerful front for the salvation of the future of our peoples and to demand energetically a new international economic order, to become a powerful front that will reaffirm to the world that this debt is economically, politically, and morally unpayable and to demand that the creditor nations assume this unbearable burden and pay it with a small part of the irrational outlays now squandered on the arms race. [applause]

Let us with irresistible will hoist that just and worthy banner of unity and struggle for the preservation of independence and the achievement of true progress, democracy, and a peaceful future for the peoples of this continent. [applause]

Faced with the rapacious, selfish, and aggressive policies of U.S. imperialism, our right to a better destiny will depend above all on the unity of the peoples and the governments that assume the defense of their legitimate rights. We, the workers, the trade unions, must set the example. [applause]

On this May Day, let us send our profound gratitude to our compatriots engaged in honorable internationalist labors far from our homeland [applause], to the men and women who are efficiently carrying out our sugar harvest, which is the country's economic foundation [applause], to all those who on this holiday are at their places of employment or defense, to the heroic, experienced combatants of our FAR [applause], to the unselfish combatants of the Ministry of Interior, both unconquerable shields of the homeland and the revolution. [applause]

Forward, beloved comrades to Revolutionary Square, to the memory of Marti, the example given by Che, and the teachings of Lazaro Pena, with the sure leadership of Fidel and the party, come to the combatant people's march. [applause] Long live May Day! Long live proletarian internationalism! Long live the unity and solidarity of all the countries of the world! Long live the third party congress! Long live Fidel! Fatherland or death! We shall overcome! [applause]

Attends Reception

FL021114 Havana Domestic Service in Spanish 1000 GMT 2 May 85

[Text] Commander in Chief Fidel Castro attended the reception offered in the Protocol Hall of Cubanacan in observance of May Day. Other Politburo members, Roberto Veiga, CIC secretary general and representatives of the state and political and mass organizations also attended. Among those present were labor heroes and heroines, national vanguard workers, and foreign delegations invited to attend the May Day festivities.

RAUL CASTRO ATTENDS SANCTI SPIRITUS CEREMONY

FL011820 Havana Television Service in Spanish 1700 GMT 1 May 85

[Text] I bring Fidel's greetings and congratulations to the people of Sancti Spiritus, Army General Raul Castro, party second secretary and first vice president of the Councils of State and Ministers, said today when he spoke at the provincial May Day ceremony. Speaking at the activity held at Serafin Sanchez Revolutionary Square, the FAR minister congratulated Sancti Spiritus Province for its organized, massive, enthusiastic, and disciplined parade.

The party second secretary presented the ninth grade battle achievers banner to that territory's labor movement.

BRAZIL CONSIDERING RELATIONS WITH HAVANA

FL020050 Havana Domestic Service in Spanish 2300 GMT 1 May 85

[Text] Brazilian Foreign Minister Olavo Setubal announced today in Brasilia that his government is studying the possibility of reestablishing diplomatic relations with Cuba. He also denied that his country would enter the Contadora Group or that it had received a request from Nicaragua to do so.

REAGAN CONTINUES TO SUPPORT NICARAGUAN CONTRAS

PA301623 Havana International Service in Spanish 0000 GMT 30 Apr 85

[Text] In Washington, U.S. President Ronald Reagan has said that he will not stop his support for the Nicaraguan counterrevolutionaries and has insisted on attacking the legislators in the House of Representatives who rejected the White House request for new funds for the Somozist mercenaries. Reagan made the remarks to Canadian and European journalists, to whom he blatantly lied when he said that the United States has offered more aid to Nicaragua since the Sandinist revolution's victory than during the 45 years of Somozist dictatorship.

U.S. IMPOSES ECONOMIC SANCTIONS ON NICARAGUA

FL011652 Havana Domestic Service in Spanish 1000 GMT 1 May 85

[Text] The Washington government has decided to impose a total trade blockade against Nicaragua, halt flights between the two capital cities, and cancel a bilateral friendship treaty.

The above is included in a document obtained by the Washington press and scheduled to be made public in the next few hours. According to reports, the White House received these recommendations from the State Department, the National Security Council, CIA, and some legislators.

Press sources indicate that President Reagan reported his blockade intentions to the U.S. Congress before departing on a controversial tour of Western Europe on Tuesday.

Washington political circles said Reagan is attempting to punish Nicaragua for its alleged aggressive activities in Central America while not hesitating in visiting a Nazi cemetery in the FRG.

HAITI

DUVALIER GRANTS 36 POLITICAL PRISONERS AMNESTY

PA301743 Paris AFP in Spanish 1435 GMT 30 Apr 85

[Text] Port au Prince, 30 Apr (AFP) -- A Haitian presidential communique announced today that 36 political prisoners have been granted amnesty by President Jean-Claude Duvalier. This is the most important amnesty for political prisoners decreed by President Duvalier since 1977. The measure was taken 1 month after Duvalier announced the imminent creation of the post of prime minister from the majority party in parliament and a law that authorizes the operation of political parties in the country. These initiatives are viewed by observers as representative of the liberalization of the Duvalier regime, which has been in power since 1957.

GANJA DESTINED FOR U.S. SEIZED AT AIRPORT

FL011409 Kingston THE DAILY GLEANER 24 Apr 85 p 1

[Text] Ganja slated for export, valued at U.S. $750,000 (over J$4 million), was seized on Monday in intensified operations against drug trafficking at the Norman Manley Airport and in Portland. Two Air Jamaica flights were involved as police sniffer dogs detected 150 pounds of the compressed ganja bound for New York, and a passenger booked for Miami was arrested.

Police sources said yesterday that ganja was now fetching a top price of U.S. $2,500 per pound on the Bermudian market, and in the United States U.S. $500 per pound for low-grade stuff and up to U.S. $900 for the high-grade Sensemilla.

Jamaica, identified by U.S. drug investigators as one of the big producers of the illegal drug reaching into the United States from the Caribbean, has been coming under increasing pressure from that country to try and cut down on it, sources said. And the national airline, Air Jamaica, has also been under pressure, getting a recent $13-million fine from U.S. Customs for having some 5,940 pounds of ganja in its cargo, and even before that getting the nickname at U.S. gateways of "the ganja airline."

A Police Information Centre release on Monday's narcotics drive said: "In police operations in Portland and at Norman Manley International Airport, approximately 1,250 pounds [as received] of cured ganja were found and one person arrested and charged with possession of ganja and trying to export it. Arrested was Morris Miller, 23, of Surrey Avenue in Independence City, St Catherine. Five packages of compressed ganja weighing around 100 pounds were found in his hand luggage at Norman Manley Airport around 6 pm. He was about to leave the island on an Air Jamaica flight for Miami.

"Also at Norman Manley Airport, about 150 pounds of compressed ganja were sniffed out by police dogs from a container destined for New York, prior to it being placed on an Air Jamaica flight on Monday afternoon. The remaining 1,000 pounds of ganja, in 22 packages, were seized by police in a raid on unoccupied premises at Hermitage, Portland, on Monday around 9 am. No arrest was made."

AMBASSADOR TO EEC TO HEAD ACP COMMITTEE

FL302116 Bridgetown CANA in English 2057 GMT 30 Apr 85

[Text] Georgetown, Guyana, April 30, CANA -- Guyana's Brussels-based Ambassador to the European Economic Community (EEC) Harold Sahadeo has been appointed chairman of the committee of ambassadors of the African, Caribbean and Pacific (ACP) group of countries accredited to the European Community, it was announced here. He will act as chairman of the ACP for six months from March 1 to August 31, this year, the announcement from the Foreign Ministry said. The ACP and EEC are linked under the Lome Treaty which governs trade, aid, and economic cooperation between the two blocs. In addition to being the main spokesman for the ACP group at all meetings with the EEC, the chairman has responsibilities for the bureau which coordinates the everyday activities of the ACP Secretariat in Brussels. The ministry said Guyana's appointment as chairman of the ACP Committee of Ambassadors comes at a very crucial stage of the ACP's development within the context of the present international socio-economic relations.

JACKSON TO HEAD DELEGATION TO CARICOM SUMMIT

FL302256 Bridgetown CANA in English 2215 GMT 30 Apr 85

[Text] Georgetown, Guyana, April 30, CANA -- Foreign Minister Rasleigh Jackson will head a four-member Guyana delegation to the May 9-10 meeting of Caribbean Community (Caricom) foreign ministers in St Kitts, the government announced. Other members of the delegation are Ambassador Rudy Insanally, and Dr Bertland Scotland and Jimmy Matherson of the Department of International Economic Cooperation. A Foreign Ministry official said Guyana will put forward a number of specific proposals on some of the issues to be discussed, including the question of apartheid in sport in view of Georgetown's position on cricketers who have played or coached in South Africa. Guyana's request for a meeting of the Caricom consultative group on apartheid in sports may also be discussed at the meeting, the official said.

FORESTRY, ENERGY AGREEMENT SIGNED WITH ROMANIA

FL262250 Brigetown CANA in English 2108 GMT 26 Apr 85

[Text] Georgetown, Guyana, April 26, CANA -- Guyana and Romania signed an agreement here today paving the way for the first phase of co-operation in the forestry and energy sectors, a government statement said. The agreement followed a one-week visit by a team of Romanians for talks with senior government officials. Under the first phase of this agreement, Guyana may receive assistance from Romania for small hydro-power development programmes and equipment for the vast forestry sector, the release said. Head of the Department of International Economic Cooperation Donald Abrams signed the agreement on behalf of the Guyana Government, while Ion Nazarumu signed for Romania. The Romanian team left Guyana after the signing of the agreement related to the two sectors. Proposals for the implementation of specific projects will be discussed at a later stage.

GCCI HEAD CLAIMS GOVERNMENT HAS WORSENED CRISIS

FL262218 Bridgetown CANA in English 2050 GMT 26 Apr 85

[Text] Georgetown, Guyana, April 26, CANA -- The president of Guyana's main private sector organisation has linked continued deepening decline in the national economy with overconcentration by the socialist government on the state sector. Wainwright McKenzie, president of the Georgetown Chamber of Commerce and Industry (GCCI), was speaking at the organization's annual luncheon here.

Consistent with the three-sector role and responsibility for economic development as adumbrated in the overall policy of the government involving the public, the co-operative, and the private sectors, it should normally be expected that appropriate measures would ensue to promote a well-balanced tri-sectoral development of the national economy, he said. However, the unswerving tendency in concentrating every effort towards accentuating state enterprises and tight state controls, which unhappily witnessed the onset of the economic crisis, continued over the year, with the disappointing deepening decline in the national economy. McKenzie said current levels of foreign exchange earnings, in view of the heavy impact the country's debt was having on the economy, were hopelessly inadequate to meet current essential demands. He said the debt burden, with overdue outstanding payments in most areas, had contributed to further acute shortages of essential supplies of food, drugs, and machinery essential for the efficient operation of industry and public utilities.

SEVEN TO STAND TRIAL IN CANADA FOR ATTEMPTED COUP

FL302112 Bridgetown CANA in English 2044 GMT 30 Apr 85

[Text] Toronto, April 30, CANA -- A provincial judge in Bramston, just outside Toronto, has ordered seven Guyanese men to stand trial on a charge of conspiracy to overthrow the Guyana Government. The men, who have been living in the Toronto-Mississauga area in Canada claimed to be members of the conserbative party of Guyana, a right-wing anti-communist group. The seven, Sridapt Lakhan, Keshava Moonasar, Cayatano Muneshwar, Parskam Ramrup, Premchand Singh, Lionel Thalzharchandradeo, and Davanand Sukhoo, were remanded to appear in Branston District Court on June 7 to face trial.

Three of the accused, Moonasar, Muneshwar and Thalzharchandradeo, were also committed for trial for conspiracy to murder Guyana President Forbes Burnham. The men were committed to trial after a preliminary inquiry into charges in connection with an alleged plot to kill Burnham between May 15 and December 21, 1983. Four of the activities were arrested in Cleveland, Ohio, in the United States in December 1983, after a trailer truck was allegedly found loaded with machine guns, grenade launchers, and other weapons. U.S. police alleged that the weapons were to be hidden in furniture and exported from the United States to Guyana.

HUMAN RIGHTS GROUP TO INVESTIGATE ELECTIONS

FL124906 Bonaire Trans World Radio in English 1130 GMT 24 Apr 85

[Text] A top official of the New York-based human rights group, Americas Watch, says his organization will carry out an investigation of electoral conditions in Guyana despite government opposition. The Guyanese Government stated earlier this month it will not allow Americas Watch and two other human rights groups into the country. The executive director of the organization says his group will carry on their investigations from outside the country. He says this will be done by interviewing Guyanese politicians, human rights activists, church leaders, and others. He says this is not ideal but it has been done previously.

The Guyanese ambassador to the United States accused Americas Watch of arrogance and said the group already has its mind made up on what it will find in the investigation. He says there is no truth to charges of election rigging by Guyana's ruling party.

LIBYA RELATIONS NOT TO AFFECT REGIONAL TIES

FL011605 Bridgetown CANA in English 1423 GMT 1 May 85

[Text] Paramaribo, Suriname, May 1, CANA -- Suriname says there is no question of its relations with Libya affecting friendship with Brazil and Colombia or other nations in this region.

The government's position is set out in a press statement from the Caribbean desk of the National Information Service (NVD) dealing with the recent visits abroad by Commander Desi Bouterse that included Libya and Colombia.

The Tripoli visit resulted in an agreement under which the Libyans are to be involved with this Dutch-speaking Republic in a U.S. $100-million aid and trade agreement, the details of which are currently being worked out by officials of both countries, NVD said.

Before travelling March 1 to Libya, where he met with Libyan leader, Mu'ammar al-Qadhdhafi, Bouterse visited Colombia from February 20-22. During this stop he initialled an agreement with President Belisario Betancur, under which the Colombians will provide a U.S. $15-million line of credit to the administration here to facilitate Suriname purchases of medicine, auto spares, building materials, sugar and potatoes from Colombia. Technical training in agriculture and military training for Suriname soldiers is also covered by the Colombia-Suriname agreement.

The Bouterse government, which has improved relations with all of its neighbouring countries, including Guyana, with which Suriname has a long-standing border dispute, has been giving much publicity to its growing relations with Libya which has a diplomatic mission here.

The government regards its recent agreements with Colombia and Libya and those worked out earlier with Brazil and Nicaragua as significantly helping to defeat what it has described as the mischievous efforts to isolate Suriname because of its revolutionary process. However, in reporting on the strengthening of ties with Libya, the government's news agency said that there is no question of our friendship with Libya one way or the other influencing Suriname's relations with Brazil and Colombia.

Referring to the closer links with Ghana and Nicaragua, the NVD report said that they were in keeping with Suriname's principled stand on sovereignty and non-interference.

The Bouterse regime came to power in a military coup five years ago.

TAIWAN GRANTS LOAN, SIGNS COOPERATION AGREEMENT

FL011820 Hilversum International Service in English 1030 GMT 1 May 85

[Text] In Suriname, President Goedschalk of the country's Central Bank announced in Paramaribo on Tuesday that Taiwan has agreed to a roughly $40-million loan to Suriname for the purchase of Taiwan goods. Favorable conditions have been attached to the loan, and the two countries also signed an accord on technical economic cooperation. Along with other projects, Taiwan will share expertise in the fisheries and agricultural sectors. In turn, Suriname will soon deliver a trial order of 2,000 cubic meters of wood to Taiwan as an initial effort in the campaign to improve trade relations.